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NEWS SUMMARY

GENERAL

Iran hostage hopes dashed

Hopes of a release soon for the 50 U.S. hostages in Iran faded when Ayatollah Khomeini refused to back a decision by the Revolutionary Council to allow a UN Commission to visit the hostages.

The Ayatollah said the commission would first bave to express its view about the alleged crimes of the former Shah and the U.S. against Iran.

He also said the commission should be allowed to interrogate bostages.

Washington said it opposed interrogation and hinted that the commissioo might leave Iran without finishing its task.

Third shooting

A British soldier was shot and wounded in a street in Osnabrueck, West Germany, but his condition was not critical. It was the third such shooting in a month. The IRA claimed responsibility for the previous two attacks.

Basques triumph

Basque Nationalist Party gained 25 seats in the new 60-member Regiooal Assemhly. More extreme nationalist parties won 17 seats and Spain's ruling party won six. Page 3 and Editorial Comment Page 16

Abbey protest

The start of the Commonwealth Day Service in Westminster Abbey was disrupted when a woman made an apparent anti-Zionist protest a few yards from the Queen and Prince Philip.

Tito stable

Yugoslavia's President Tito, gravely ill with pneumonia, a weakened heart and kidney failure, has shown no further deterioration since Sunday night when he was said to be near death.

Don deported

Oxford lecturer William Newton-Smith was deported from Czechoslovakia at the weekend after being detained by police. He was believed to have been visiting an unofficial university in Prague for barred students.

Jerusalem plan

Israel'a new hard-line Foreign Minister was due to be sworn in last night amid reports that the Cabinet is considering expropriating up to 5,000 acres of Arab-owned land in Jerusalem to build a new Jewish auburb. Page 4

Bail forfeited

A Dublin anti-terrorist court ordered Mealissa Costello, widow of a former leader of the Irish Republican Socialist Party, to forfeit £10,000 bail she stood for a priest on a bank robbery charge.

Jockey cleared

National Hunt jockey John Williams was cleared of three charges against him in a "ringer" conspiracy trial at Exeter Crown Court.

FA Cup matches

Arsenal are to meet Liverpool, and West Ham will play Everton in the semi-finals of the FA Cup on April 12.

Briefly . . .

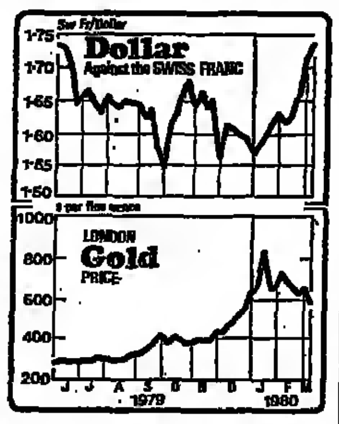
The Duke and Duchess of Gloucester announced that their third child, born a week ago, will be known as Lady Rose Windsor.

Snow and sleet affected roads in some parts of the North. Weather, Back Page

BUSINESS

$ rises to 4-month high; gold off $28

● DOLLAR continued to improve despite intervention by several central banks. It rose to a four-month high of DM 1.8095 (DM 1.7960). Its trade-weighted index rose to 87.4 (87.2). STERLING lost ground against the dollar, closing 1.2c off at $2.2165, but remained steady against other major currencies. Its trade-weighted index was unchanged at 71.9.



● GOLD fell to its lowest level since early January in London yesterday, losing $28 an ounce to $585.5.

● GILTS were firm, encouraged by the Government's determination to hold MLR at 17 per cent, and the Government Securities Index gained 0.30 to close at 64.15.

● EQUITIES, nervous of the prospect of a windfall profits tax, eased and the FT 30-share index closed 3.4 down at 452.3.

● WALL STREET was down 5.54 to 815.02 near the close.

● METALS were hit by heavy losses in a wave of selling mainly by speculators. Aluminium futures dropped by £113.5 to £773.5 a tonne. Page 27

● SWITZERLAND has removed further restrictions on foreign Swiss franc holdings in a continuing effort to strengthen the currency against the dollar. Back Page

● MARGARET THATCHER appeared on French television last night to appeal for a fair deal in the UK's campaign to cut its EEC budget contribution. Back Page

● EEC INDUSTRY Commissioner Viscount Etienne d'Avignon flew to Washington as U.S. Steel prepared to file its anti-dumping suit against European producers. Back Page

● BL CARS management has told union leaders that about 3,000 redundancies planned for 1981 will have to be brought forward to this year because of poor sales. Back Page

● HOECHST, the West German chemicals group, boosted sales last year by 11.1 per cent to DM 26.8bn ($14.9bn). Page 25

● L. M. ERICSSON of Sweden and Atlantic Richfield of the U.S. are forming a new company, Anaconda Ericsson, to make and sell wire, cable and telecommunications equipment. Page 24

COMPANIES

● MANGANESE BRONZE Holdings reported pre-tax profits for the six months to January 31, 1980 down from £322,000 to £185,000 on increased turnover of £18.87m against £15.43m. Page 18

● PARKER KNOLL, furniture manufacturer, reports pre-tax profits for the six months to January 31, 1980 up to £2.06m (£1m). Page 18

● NEIL & SPENCER Holdings' taxable surplus for the year ended November 30, 1979, was a record £1.74m (£1.03m). Sales jumped by £6.75m to £21.86m. Page 18

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Exchequer 11½pc 1984	£88½	+ ⅛
Treasury 12¼pc 03-05 A (£70 pd.)	£65½	+ ⅜
Anderson Strathclyde	75	+ 4
BAT Inds.	283	+ 5
Bambers	96	+ 5
Bradford Property	178	+ 8
Channel Tunnel	145	+ 8
Concord Rotoflex	24	+ 5
Coral Leisure	78	+ 6
Gibbs (A.)	84	+ 6
Hamilborne	84	+ 9
May & Hassell	97	+ 5
Parker Knoll A	113	+ 15
Piccadilly Theatre	100	+ 6
Rolls-Royce	66	+ 3
Textured Jersey	48	+ 3
Warner Estates	262	+ 10
Williams (B.)	28	+ 8
Metals Expln.	65	+ 7
Spargo's Expln.	32	+ 4
Union Corp.	730	+ 30

FALLS

Furness Withy	365	− 5
ICI	370xd	− 7
Metal Box	254	− 6
NatWest	325xd	− 7
Newman Inds.	49	− 7
BP	364	− 22
LASMO	450	− 24
Shell Transport	376	− 16
Guthrie	755	− 25
Harrisons Mlyn. Es.	188	− 6
Bougainville	186	− 19
Conzinc Riotinto	254	− 26
De Beers Defd.	450	− 28
MIM Hldgs.	240	− 24
Mount Lyell	100	− 14
Otter Expln.	86	− 8
Samantha	90	− 10

Raw material costs tighten squeeze on profit margins

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

The squeeze on profit margins of industry is intensifying. Raw material and fuel costs have been rising in the last few months twice as rapidly as prices charged for manufactured products.

The wholesale prices indices for February, published yesterday by the Department of Industry, show that the rates of increase of both material costs and output prices have accelerated since the New Year, and that the gap between the two has widened.

With other costs, such as labour, rising rapidly, this indicates both that manufacturing profits and liquidity are likely to deteriorate further, and that upward pressure on retail prices is likely to continue for some time.

The mid-February retail prices index, due on Friday, is likely to show a rise in the 12-month rate from the previous level, 18.4 per ceot. Most economists expect a rise to over 20 per cent by the early aummer.

The prices outlook might be eveo worse but for the appreciation of sterling, still up more than a tenth in the past 12 months, and the partly associated intense competition in the home market which has prevented companies from passing on cost increases fully into bigher prices.

This may largely explain the gap between an 8.4 per cent rise in output prices in the last six months and a 16.6 per cent increase in raw material and fuel costs.

At the end of 1979 the figures were 7.3 and 12.5 per cent respectively.

The materials cost index rose by about 2 per cent laat month to 197.2 (1975=100), taking the increase on 12 months up to 28.6 per cent, highest figure since June 1976. Two-thirds of the increase was due to bigher prices for crude oil.

If the more slowly rising special coats incurred by the food, drink and tobacco industries are excluded, material costs rose by nearly 41 per cent in the year to February.

The prospects are mixed. Although the recent big rise in oil prices should largely have worked through the materials cost index (and other commodity prices bave fallen) sterling bas declined by 1¼ per cent against its average February level.

Some of the big material and labour cost rises of recent months still have to work through to output prices.

WHOLESALE PRICES 1975=100

		Materials and fuel purchased	Output prices (home sales)
1979	1st	153.4	161.6
	2nd	163.3	168.0
	3rd	169.9	176.4
	4th	183.9	181.8
	Nov.	186.0	181.6
	Dec.	187.5	183.4
1980	Jan.*	193.4	188.5
	Feb.*	197.2	191.1

* Provisional
Source: Department of Industry.

Prices charged for manufactured products in the UK rose by 1.4 per cent to 191.1 (1975=100) last month.

This took the 12-month rate up to 18.2 per cent, highest since September 1977.

If tbe food, drink and tobacco sectors are excluded output prices bave risen by nearly 21 per cent in the last year, after an increase of more than 6 per cent in the past three months.

Price rises were spread across all sectors last month, but petroleum products made the most significant contribution.

On the cost side, crude oil was the most important facton. Otherwise, rises in prices of copper and aluminium largely offset falls in hides, silver and gold.

Lex and retail sales, Back Page

British Gas plans £4bn expansion programme

BY RAY DAFTER, ENERGY EDITOR

BRITISH GAS is planning to spend over £4bn over the next five years on new production, transmission and storage facilities.

The investment programme, representing a 215 per cent Increase on the £200m to £340m apent annually in the past five years, was aonounced as the state corporation disclosed details of its latest price rises.

Domestic tariffs are to rise by 17 per cent on April 1, a move that is expected to help boost the corporation'a profitability to a pre-tax level of about £600m in the next financial year. There will be a further 10 per cent rise on October 1.

British Gas said such profits were not large if the capital employed and investment requirements were taken into accouot.

"Current profits look large simply because of the low levels of profitability to which British industry baa been reduced," it said.

The corporation, a monopoly buyer and seller of natural gas in the UK, is planning to increase sales from an average 5bn cubic feet a day to over 6bn cubic feet a day by the mid 1980s.

This will require the installation of equipment capable of handling a peak load of 12bn cubic feet a day compared with the present peak capacity of 9.5bn.

To meet this expansion—involving some 300,000 to 350,000 new customera a year—the corporation is planning to speed its £4bn on:

● Development of its Morecambe gas field in the Irish Sea, a reservoir containing estimated recoverable reserves of 2-3 trillion (million-million) cubic feet. The estimated cost is £450m.

● Construction of a fourth feeder transmission pipeline from St. Fergus near Peterhead in Scotlaod to North-East England. Thia 270-mile line will be the first built to a 42-inch capacity. Pipelaying is due to atart next month.

● Installation of new wells, compressors and pipelines in and around the British Gas-Amoco Group's Rough Field in the southern basin of the North Sea. The corporation has almost completed negotiations on a plan which involves turning the partly depleted gas reservoir into a natural storage tank.

● Improvements, replacements and extension to the land-based gas distribution system as part of its mains replacement and expansion policies:

● Development of onshore and offshore oil and gaa fields in which the corporation has an interest. Among them are Montrose, Beryl, Hutton, North West Hutton, Wytch Farm in Dorset and several gas fielda in the southern part of the North Sea.

British Gas may well invest more than £4bn as it is expected to be a member of the consortium which will build a 400-mile North Sea gas gathering network, costing up to £1.5bn.

£45m North Sea gas handling plan, Page 8

U.S. bank seeks retail business

BY MICHAEL LAFFERTY, BANKING CORRESPONDENT

BANK OF AMERICA, the largest commercial bank in the world, is to enter the High Street banking market in the UK with better ratea of interest oo deposit accounts than the British clearing banks.

The move, which will be accompanied by a big consumer advertising campaign, comes at a time when the clearing banks are reporting very large profit increases from domestic banking business. Most of these profits are on current account balances which attract no interest.

Bank of America says it ia interested only in retail bank deposits in excess of £1,000. It says it will be offering customera interest rates which are close to those obtainable in the interbank money market. The objective is to provide the bank with an alternative and cheaper source of sterling deposits, which in turn are lent on to wholeaale customers.

The retail banking operation will be carried out through Bank of America Finance, the bank's small UK finance house subsidiary. It already has eight branches, which will now be increased to 50 over the next five years.

As an example of the interest ratea which it is prepared to offer Bank of America Finance said that on Friday it would have paid 18¾ per cent for a one-month deposit of £10,000. The rate would bave been 17½ per cent over aix months, and 17 per cent over a year.

Barclaya Bank was quoting rates of 17⅞ per cent for £10,000 over one month, with rates of 16¾ per cent and 16 per ceot respectively for six and 12-months.

One of the big British clearers, Midland Bank, is considering offering interest on current account balances, partly as an attempt to overcome public criticism over the level of bank profits.

The clearers as a whole have been making a considerable

Continued on Back Page
Lloyds accounts, Page 19

Steel talks continue today

By Christian Tyler, Labour Editor

NEGOTIATIONS on the 10 week steel strike were last night adjourned until today with signs that a negotiated settlement of the dispute is within sight.

The unions were asked to think overnight about the result of the "ballot about a ballot" which showed a 7-3 majority in favour of a second ballot on the latest pay offer.

Mr. Bob Scholey, British Steel Corporation chief executive, said he had reminded the unions that the vote suggested a second ballot was now in order. He thought the best thing would be for the unions to now suspend their strike.

Mr. Scholey said the meeting, which had considered the gap between the two sides, had been frank but without "histrionics."

Mr. Bill Sirs, general secretary of the Iron and Steel Trades Confederation, said today's talks would be an attempt to reach a common view on productivity and only after that would the haggling start on a final settlement.

"For the first time we had the feeling that they are trying to negotiate," Mr. Sirs said.

BSC negotiators went line by line through a document submitted by all 13 unions in the industry. No firm pay target is mentioned in the document nor were figures discussed yesterday during five bours of talks.

The ballot result appears not to have been a major issue yesterday. The ISTC has claimed it as a victory because only 65 per cent of steelworkers took part and only 44 per cent supported BSC.

The corporation was yesterday anxious to find out if the unions were prepared to continue the

Continued on Back Page

FIGHTING AT CORBY

Fighting broke out when 1,000 striking blastfurnacemen who face redundancy because of BSC's decision to end steelmaking at Corby, Northants, met yesterday to discuss a possible return to work. Police were on the scene as the blastfurnacemen arrived and found the doors of the hall blocked by ISTC and AUEW pickets. Page 8

£ in New York

—	Mar. 7	Previous
Spot	$2.2210-2225	$2.2315-2330
1 mth	0.10-0.20 prem	0.18-0.12 dis
3 mths	0.05-0.15 prem	0.32-0.26 dis
12 mths	0.40-0.20 dis	1.00-0.85 dis

Nkomo agrees to take Home Affairs post

BY BRIDGET BLOOM, AFRICA EDITOR, IN SALISBURY

THE FIRST STEP in forming the new government of Zimbabwe was taken last night when Mr. Joshua Nkomo, the veteran nationalist leader, agreed to be Home Affaira Minister.

His appointmeot follows a week of coalition negotiations between Mr. Robert Mugabe's ZANU-PF party and Mr. Nkomo's Patriotric Front, and opens the way to anoouncemeot of the full Cabinet today.

Mr. Eddison Zvobgo, spokesmao for Mr. Mugabe, said the Prime Minister designate would submit the Cabinet list to Lord Soames, the Governor, this afternoon. It would include "two prominent Zimbabweans of European descent."

Mr. Zvobgo refused to be drawn further on the list, which he said was still under final discussion in the ZANU PF central committee. Consultetions with Mr. Nkomo had been concluded however.

There was widespread speculatioo that one of the Europeao posts had been offered to Mr. David Smith. He was Finance Minister under Mr. Ian Smith, the former Prime Minister, and is known to oppose Mr. Smith's approach to black majority rule. The second post may go to a senior business figure.

The bargaining between Mr. Mugabe and Mr. Nkomo resulted in compromise. Mr. Nkomo—whose party has 20 of the black seats against Mr. Mugabe's 57—refused Mr. Mugabe's offer of the largely ceremonial presidency.

Mr. Zvohgo said Mr. Nkomo'a Ministry would include control of "some police."

The Home Affairs Department's present functions centre on administration of African trihal trust lands through white district commissioners.

It is thought the Patriotic Front will be offered three or four more Ministries, including the relatively minor telecommunications and water development posts.

The Cabinet posts for the Europeans could be commerce and industry and mines, rather than finance.

Mr. Mugabe spent an hour and a half at Government House yesterdsy in talks which included discussions with Major-Geoeral Kenneth Perkins, who is to head the British military training and rehabilitation mission after independeoce.

S. African troops withdraw, Page 4

Profits down by 50% at Rolls Motors

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

THE TAXABLE profits of Rolls-Royce Motors fell by more than half last year, from £14.634m to £7.145m. It was the first time since the company's formation in 1971 that profits fell.

Mr. Ian Fraser, chairman, said yesterday that provided Rolls could cope with the aftermath of the steel strike and there were no further major disruptions, profits this year should improve. Nonetheless, prospects for the diesel engine division, which suffered particularly last year, were "not good."

In 1979 the division was adversely affected by the cancellation of the major contract to supply diesel engines to the Ministry of Defence for installation in tanks due for Iran. The cootinuing recession in the industrial diesel engine market, which led to redundancies costing £750,000, was another factor.

Strikes in the engineering industry last autumn cost Rolls at least £5m in lost trading profit and the earlier bankers' dispute also hit the company.

Rolls suffered from problems associated with high interest rates at home and the high value of sterling overseas. Interest payments in 1979 jumped from £1.97m to £4.9m. Borrowings rose, partly to finance high seasonal stocks overseas and the new involvement with the distribution of Lotus cars through the Rolls dealership network in the U.S.

The capital expenditure programme, started three years ago, has been delayed by the various industrial disputes so Rolls' spending reached £16m last year instead of the planned peak of £20m.

Details, Page 18;
Lex, Back Page

CONTENTS

For latest Share Index 'phone 01-246 8026

PRESSURE ON FACTORIES TO REDUCE WASTE

Prague acts to stimulate economy

BY LESLIE COLITT IN LEIPZIG

CZECHOSLOVAKIA has announced long-awaited economic measures designed to stimulate the slow-moving economy and to hoost stagnating exports to the West while retaining centralised control of the economy and in some cases increasing it. Czechoslovak economics officials at the Leipzig Trade Fair say these are sorely need to halt the erosion of the country's competitive position within Comecon and on Western markets.

The cautious Czechoslovak economic measures come after a three-year experiment on the factory level and are contained in a key directive issued by the Communist party and Government on the "Improvement of administration and planning" in the economy after 1980.

Starting next January, prices producers pay for raw materials are to begin rising to reflect "world market conditions" and to force factories to reduce their heavy waste of materials. This is a move which was begun in neighbouring Hungary, but by contrast the Czechoslovak leadership is saying nothing about retail price rises to reduce subsidies.

More than 100 factories in Czechoslovakia have been involved over the past three years in a Government-run experiment to find ways of breaking out of the seemingly closed circle of faulty planning, poor management, endemic waste and the lack of incentives for factories and workers. Varying wages were paid in different factories based on the export earnings record of the plants.

Beginning next year, Czechoslovak factories will no longer be evaluated by the value of their output calculated by costs but only by the product's saleability based on "world market" criteria. Investments by state factories are no longer to be financed out of the national budget but by a factory's own resources or bank credits. The "few exceptions" to this will require government approval.

Factories that achieve international prices for their exported products are to be permitted to raise wages, while factories failing to compete effectively will in some cases have to reduce pay. Technological innovation is to become an integral part of the five-year plan beginning next year and not a "parallel" afterthought, according to the Czechoslovak economics officials.

The series of measures represent the first attempt to deal with underlying economic problems since Mr. Gustav Husak, the Communist leader and President, came to power after Mr. Alexander Dubcek, the reform Communist chief, was deposed 11 years ago. Economic reform has been an emotive concept since then because of fears that it might release liberalising political forces. The economic directive, however, leaves no doubt that planning functions of factories are to be centralised and that the entire new package of economic measures is based on the "experiences of the Soviet Union and the other Socialist states."

Big rise in W. German chemical labour costs

BY KEVIN DONE IN FRANKFURT

LABOUR COSTS in the West German chemicals and textiles industries rose significantly last year, compared with most other main industrial countries.

The strength of the D-Mark and the steady rise in social costs paid by industry on top of basic wages and salaries has further strained West German competitiveness in international markets.

West Germany, with the rest of Western Europe, is already experiencing problems in world petrochemicals markets because of the cheap energy advantages enjoyed by its U.S. competitors.

The growing wave of U.S. synthetic fibres exports to Western Europe has led to import restrictions in the UK and the preparation of anti-dumping cases by the EEC.

West German chemicals companies are claiming that their labour costs last year were 27.9 per cent higher than those faced by the U.S. Industry. Hourly costs totalled \$13.20 (£5.90) against \$10.32 in the U.S.

This is based on an average exchange rate for 1979 of DM 1.83 to the dollar. Although the dollar has strengthened significantly recently under the influence of rising U.S. interest rates to reach a close of about DM 1.80 in Frankfurt on Friday, it is still below the average for last year.

The West German chemicals industry estimates that in the first weeks of 1980 its labour costs have risen to more than 30 per cent above the U.S. level.

West German labour costs first began to outpace those of the U.S. in 1975. Since then, the gap has widened sharply, partly because of exchange rate movements, and because of the rapid increase in German industry's social costs.

These are now double the U.S. level. Chemical employers claim that last year social costs rose to equal 80 per cent of direct wages. In the U.S., social costs are less than 36 per cent.

Narrowing gap

Last year, the dollar lost some 9 per cent of its value against the D-mark, with a further fall of 3.3 per cent in January and February against the 1979 average.

Direct hourly wage levels in the U.S. chemicals industry are still marginally higher than in West Germany—\$7.59 against \$7.33—but the gap is narrowing.

In the textile industry, West German labour costs per hour are also appreciably higher than in the U.S.—DM 15.85 (£3.95) against DM 11.30—according to a study by the West German Textile Industry Federation.

Based on costs measured in July last year, West Germany ranks fifth in a league of international labour costs, behind Sweden, the Netherlands, Belgium and Denmark.

Despite its labour costs burden, the West German chemicals industry still succeeded in pushing up its exports by 20 per cent to DM 44bn last year. Exports to the U.S. in the first 11 months rose only 6 per cent against an 18.2 per cent rise in West German chemical imports from the U.S.

TEXTILE INDUSTRY LABOUR COSTS
(per hour/July 1979)

	DM	Index
Sweden	18.02	114
Netherlands	17.60	111
Belgium	17.04	108
Denmark	16.20	102
West Germany	15.85	100
Italy	13.48	85
France	11.71	74
U.S.	11.30	71
UK	9.09	57
Japan	8.83	56
Hong Kong	2.14	14
Czechoslovakia	4.57	29
USSR	2.74	17
Poland	1.56	10

Source: West German Textile Industry Federation.

Bank chief gives import warning

BY JONATHAN CARR IN BONN

WEST GERMANY cannot long afford to run a big current account deficit, but import controls on goods or capital should be ruled out as a means of adjusting the balance, Dr. Wilfried Guth, head of the Deutsche Bank, has said.

Only a policy of domestic price stability and technological development could maintain the competitiveness of German exports, Dr. Guth added.

He did not believe West Germany would become a chronic deficit country, but he did agree that if oil prices continued to rise as fast as in the past, then it might prove hard, if not impossible, for West Germany wholly to make up for its import bill with its export earnings.

The domestic inflationary danger was greater now than at any time in the past five years. The Government should do more to cut its Budget deficit.

Dr. Guth's fears are shared particularly in the independent Bundesbank—not least that a big current account deficit (expected to be about DM20bn (£5bn) this year) may further weaken the D-Mark and increase inflation.

Since the start of this year, the D-Mark has fallen even in nominal terms against most other currencies, particularly against sterling and the dollar.

Government to oppose re-election of Eanes

By Jimmy Burns in Lisbon

PORTUGAL'S governing coalition has begun what promises to be a long and difficult search for an alternative presidential candidate for next year's election.

The move, expected to have considerable repercussions on the fragile political situation, emerged over the week-end after one of the leading governing parties, the Christian Democrats (CD), defined publicly for the first time what it saw as the ideal profile of the future president.

The party specified that the candidate should be a military man with broad popular support, but it strongly implied that General Antonio Ramalho Eanes, the current President, did not fit this category.

Significantly, the statement came after Dr. Francisco Sa Carneiro, the Prime Minister, had told Parliament that there were "profound political differences" between his Government and President Eanes.

A serious row erupted last week after right-wing newspapers alleged that General Eanes and members of the Council of the Revolution, the military constitutional watchdog, had planned to oust the Government. The reports were subsequently denied by the President but have been supported by the Government.

This conflict re-emerged yesterday when the Prime Minister refused a presidential request for a police inquiry into why the apparently unfounded "coup" reports had appeared in the newspapers.

In a statement issued after a regular Cabinet meeting, Dr. Sa Carneiro challenged the President's authority on matters of internal security and stressed that any police initiative was the prerogative of the Ministry of the Interior and not of the presidency.

In his earlier speech to Parliament, the Prime Minister said that a police inquiry of any kind into the reports would be a fundamental infringement on Press freedom.

Work resumes on North Sea oil rig

Work has resumed on a drilling platform in the Danish sector of the North Sea after divers had investigated a reported pressure build-up in an exploratory well on the Lulu structure. The 18 workers had been evacuated while the check was made, writes Hilary Barnes in Copenhagen. A spokesman for the Dutch Underground Consortium said pressure in the well was still slightly above normal but there was no danger

Conditions set by Marchais for war record inquiry

BY DAVID WHITE IN PARIS

M. Marchais: involving other politicians

THE FRENCH Communist leader, M. Georges Marchais, has said he is willing to have a commission of inquiry look into his wartime record, which became the subject of renewed controversy at the weekend. But he made the condition that all the country's other leading politicians do the same.

The question of M. Marchais' comings and goings between France and Germany, in his own words as a "labour deportee," during the Second World War has been brought up again at a time when the 59-year-old party leader is under fierce criticism about his support for Moscow's role in Afghanistan.

The weekly magazine l'Express published a copy of a wartime German document purporting to show that M. Marchais was still registered as a worker at the Messerschmidt aircraft factory in Augsburg in May, 1944, a year after he claims to have returned to France.

In a radio interview with a group of French journalists, M. Marchais reaffirmed that, after an abortive attempt to escape from Germany in January 1943, he found a ruse to get back to France in May of that year and never returned to Germany after that.

The inquiry proposal was put forward by M. Jean-Francois Revel, the editor of l'Express, who has reasserted that the Augsburg document, dismissed by M. Marchais as "a crude forgery," is genuine and available to the public in that city's archives. The document carries the handwritten dates "10.5.43" and "10.5.44," without making it fully clear to what they refer. M. Marchais said his lawyers would study the matter.

If the magazine's version were proved true, it would mean that M. Marchais had lied throughout his career with the party, which he joined in 1947. M. Marchais said he could, when he wanted, call on witnesses to his having been in France from 1943.

Three years ago he accused another magazine, the Right-wing Minute, of falsifying evidence to show that he volunteered rather than being requisitioned to work in Germany. His charge was not upheld in court.

The Communist leader's proposal that all political leaders' war records should be put under the microscope was backed by M. Gaston Defferre, head of the Socialist group in the National Assembly.

M. Marchais also proposed an inquiry into French politicians' complicity with the former Central African dictator, "Emperor" Bokassa.

Herald Tribune considers printing in Hong Kong

BY TERRY DODSWORTH IN PARIS

THE DAILY newspaper, the International Herald Tribune, is working on a plan to start printing in Hong Kong later in the year. The paper is already printing simultaneously in Paris, London and Zurich.

A team from the 92-year-old newspaper is currently visiting South-East Asia to investigate the project. If satisfactory solutions to a number of difficulties are found, the paper says firm plans will be announced in the spring.

The object is to reduce the newspaper's cost to readers in the Asia and Pacific regions, to which it is currently sent by air, while making it more quickly available. Both these aims could be achieved, it believes, by using a system of instantaneous electronic transmission by satellite to a Hong Kong printing plant.

This technique, similar to the one which links the European offices, involves the beaming of impressions of each page of the newspaper from the Paris office.

Irish rail report recommends close-down

By Our Dublin Correspondent

IRELAND should seriously consider closing down its railway system, a report on transport policy suggests today. The railways lost over Ir£30m (£27.7m) last year and account for about three-quarters of the deficit of the state transport undertaking, CIE.

However, the suggestion that rail services may have no future is likely to prove controversial. A minority report from Mr. P. Murphy, of the Irish Employers' Confederation, argues that the report under-estimates the energy-saving potential in the railways, and the social and economic costs of a complete shift to roads.

The authors of the report, headed by Professor C. D. Foster, visiting professor at the London School of Economics, point out that Ireland has the lowest railway usage in Europe, and that its geography makes it particularly unsuitable for commercial railway operations.

They estimate that closing the system would save some Ir£135m over a five-year period.

They also suggest consideration be given to the greater use of private buses in rural areas.

The Government said the report was an important analysis of the major issues in transport policy and would help the examination at present being made by the Minister for Transport. It also said it recognised the need for early decisions on transport policy development.

Terrorists kill 4 in Istanbul

By Metin Munir in Ankara

TERRORISTS opened fire on a crowd in a shopping arcade on the European side of Istanbul yesterday, killing at least four people and seriously wounding three others. Police later launched a manhunt for the terrorists, who were in a group of four or five.

It was the first time that a crowded shopping arcade had been a terrorist target in Istanbul, which is at present under martial law. An average of three people a day die in terrorist violence in the city.

A caller later told a Turkish news agency that the attack had been staged to protest at the intervention of the military on March 12, 1971.

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Schmidt's visit to U.S. draws Atlantic alliance closer together

BY JONATHAN CARR IN BONN

THE West German Chancellor, Herr Helmut Schmidt, has some cause for ironic satisfaction with the current reaction to his visit to the U.S. for talks with President Jimmy Carter. The West German political opposition has stated that big policy differences remain between the two allies even after the talks. The Soviet news agency Tass has said Herr Schmidt has clearly conceded to the U.S. line on the major issues discussed, which included Afghanistan, economic sanctions against the Soviet Union, and a boycott of the Moscow Olympic Games. If the truth lies somewhere between these two extremes — and there is evidence that it does — then it is a result with which both countries and the rest of the Atlantic alliance can live.

The West Germans did not think much of Mr. Carter's initial reaction to the Afghan invasion. They felt too much attention was being paid to punishing the Soviet Union, and too little to containing the threat to the Middle East and to the southern flank of the North Atlantic Treaty Organisation. They also believed the punitive strategy could escalate, threatening East-West exchanges — including arms limitation negotiations — and finally bringing a new cold war. West Germany, part of a divided country with a common border with the Warsaw Pact nations, has a particularly urgent national interest to see this does not happen. But it also has a vital interest in the closest ties with the U.S., without which there can be no military security and no basis for further detente. Part of the problem for West Germany since the Afghan invasion has lain in reconciling these two interests, and the Washington talks have helped.

It is now clear that the West Germans will not take part in the Moscow Olympics if Soviet forces are not withdrawn from Afghanistan, that they will agree to tighter Western rules on exporting strategic goods to the East, and that they will not take up business with the Soviet Union which the U.S. drops as part of its embargo strategy. Few in the Bonn Government believe these steps will have much practical impact on Moscow. To that extent, the Germans have moved reluctantly towards the U.S. punitive policy line — flanking it with an increase in defence spending, as Washington has been demanding.

In return, Herr Schmidt has received formal U.S. blessing for the containment strategy—in particular for economic and military aid to Turkey, although Bonn and Washington are still arguing about how much each will pay. At least as important, the U.S. confirmed that disarmament talks with the East must continue, and that the follow-up security conference scheduled for Madrid in the autumn should go ahead as planned. It is the German hope that, given this formal commitment to the wider framework of East-West contacts, the U.S. policy of embargo and boycott will not be developed further.

The Washington talks have thus underlined that, whatever the differences of emphasis, West Germany and the U.S. recognise they cannot do without one another. But that does not mean relations are as good as they might be — even leaving aside the reaction to Afghanistan.

Problems between the two countries are often personalised as dislike between Herr Schmidt and Mr. Carter. Fairly regular reports emerge about what Herr Schmidt is said to have *said at private gatherings* criticising the President and his policies. The truth is that relations between the two were very bad in Mr. Carter's first year of office, that they improved with his visit to West Germany in 1978 — and that there are now good working contacts between both leaders, with frequent consultation by telephone. Herr Schmidt seemed genuinely happy to be *able to praise* Mr. Carter's "statesmanship" twice recently over the Iran hostages affair—although he did not comment on U.S. handling of the Afghanistan crisis. Besides, most people in Bonn expect Mr. Carter to be re-elected this autumn — and there is no marked enthusiasm on the German side for the candidates opposing him.

The difficulties go much deeper. They are partly the *result of Germany's* own changed position, from a former foe with a broken economy, to a largely uncritical ally, to the second-strongest member of the Western alliance *using detente between the* superpowers to further its national interests in the East.

This development was bound to bring new strains. There has also been a generation change. The German and U.S. officials who worked together at the time of the Marshall Plan and the Berlin airlift—and who thus shared the experience of co-operation against a clearly perceived threat—have now gone. *Those who replaced them are inclined to take a more* sceptical view, not always based on personal knowledge of the country with which they are trying to forge policy. Bonn officials can cite many examples of what to them *seems* to be crass ignorance in Washington about German affairs. One senior U.S. official was said to be startled recently to learn that, since the Helsinki Security Conference, about 250,000 Germans from the Soviet Union and Eastern Europe have been repatriated. On the other hand, the American complain about a similar lack of German under*standing of U.S. life and men*tality—about rigid judgments carrying with them the unspoken suggestion that things are managed better in the Federal Republic.

Naturally there are exceptions. But this communications gap is clearly worrying the German Government more than ever. Hence Herr Schmidt's almost unceasing meetings with the Press during his latest U.S. trip, *including* a *special* tour of *the New York Times* head office. Hence the recent speech by Count Otto Lambsdorff, the Economics Minister, in Los Angeles—an effort to bring German policy to more people (or *perhaps just to people*) on the West Coast. Hence also the increasing number of visits being paid by German politicians of all parties to the U.S. The latest is Herr Franz Josef Strauss, Herr Schmidt's main Opposition rival, who this week is meeting in New York and Washington virtually the same people, from President Carter down, whom the Chancellor met *last week*.

Behind all this activity is the real concern that the U.S. and West Germany might drift further away from one another, not because of this or that policy difference but because of a lack of understanding and a failure to communicate. It is a problem which Herr Schmidt's talks with Mr. Carter—useful in themselves at one level—cannot solve.

Herr Schmidt: praise for *Mr. Carter's statesmanship*

SIR faces threat of \$¼bn fine

By Giles Merritt in Brussels

ITALY'S troubled man-made fibres producer, Societe Italiana Resine (SIR), is being threatened with a fine of more than \$¼bn by the 10 other European synthetic-fibre manufacturers grouped with it in the EEC textile industry's "crisis cartel."

In a move that would make Common Market legal history, the Italian producer's partners are pressing SIR to sell \$130m worth of machinery representing excess capacity, or face fines to them that could total \$260m.

The *legal basis* for these levies is the man-made fibre producers' two-year-old cartel agreement. Its original, highly controversial market-sharing pact was dropped at the beginning of this year.

But it is the industry restructuring agreement of the revised cartel now being scrutinised by the European Commission in Brussels that would allow the fines to be imposed.

According to textile industry officials in Paris, SIR has been told by cartel representatives that unless it agrees to accept one of the six purchase offers that have been made for the machinery it bought for an ill-fated Sardinian venture, penalties amounting to \$2,000 per tonne of excess capacity will be sought.

Basque parties sweep election

BY OUR MADRID CORRESPONDENT

THE BASQUE nationalist party, PNV, gained 25 seats in the 60-member Basque parliament in last Sunday's elections. Extreme nationalist parties, linked to ETA and supporting Basque independence, picked up 17 seats in the poll, the first democratic election for a Basque parlament since the Spanish Republic of the 1930s.

The results constituted a major defeat for the Spanish national parties, the Socialists and the ruling Union de Centro Democratico (UCD) the government party gained just six seats, less than half of what had been forecast.

Although a month must elapse between the elections and the formation of a Basque Government, it seems certain that the PNV will form a minority government on its own, headed by Sr. Carlos Garaicoetxea, the party president. The Marxist leaning independence coalition Herri Batasuna (People's Unity), which gained 11 seats to become the second largest political grouping, intends to boycott the parliament in the same way as it has refused to occupy its seats in the Madrid Congress.

The vote for Herri Batasuna had been endorsed by the hard-line military wing of ETA in clandestine radio broadcasts. A second Marxist nationalist grouping, Euzkadiko Ezquerra, which acts as the political front for ETA's political-military wing, gained six seats to tie with the UCD. The Spanish Socialist party, which once had a strong base among Basque workers, gained nine seats.

Both UCD and the Socialists attributed their poor showing to a high abstention rate, as high as 43 per cent in the densely populated Vizcaya province. Fear may well have kept national party supporters away from the polls, as certain leaders indicated, but apathy was also a cause as this was the seventh poll in the Basque country in just over four years.

The strong showing by the nationalists and the pro-independence parties, along with the collapse of the national based organisations, means increasing *strain on the testy* relationship between the central government and the Basque country. Two delicate issues will come to the forefront: the phased withdrawal of Spanish police from the Basque country and a form of amnesty for ETA men in jail or in exile, as part of a deal to end the violence.

The PNV will press for an increasing transfer of power from Madrid to the Basque parliament and government and will be unwilling to strike bargains with the central government, even if it wished to, for fear of losing ground to the radical nationalists on its left.

Government studies bank rescue proposals

BY ROBERT GRAHAM IN MADRID

THE SPANISH Government is studying ways of improving the existing machinery for coping with banks in difficulties. The matter is of growing concern since several banks are known to be in financial trouble and there is a general reluctance among the banking community to see the "bank hospital"—the Corporacion Bancaria — strengthened.

The main mechanism being studied is a substantial increase in the Deposit Guarantee Fund. This was set up in November 1977 to guarantee depositors up to Pta 500m (£3.3m) each, but was funded on a one-off basis. The suggestion now is that this fund be enlarged and an annual quota paid on the basis of 0.1 per cent of each bank's total deposits.

The matter was first studied *last autumn*. Initially it was proposed to enlarge the Corporacion Bancaria. This institution was set up in early 1978 on a 50-50 basis between the then 108 commercial and industrial banks and the Bank of Spain, with a capital of Pta 500m. Since then, four banks have been taken into the "hospital" where they are being administered and reshaped with a view to eventual sale back to the private sector.

The banks generally opposed enlargement of the Corporacion for two main reasons. First, it threatened to create too large an entity out of the Corporacion Bancaria, and second, funding the move would be difficult to *sell to shareholders*. The banks were also cool to the idea that the Bank of Spain should subscribe to a capital increase of the Corporacion. This was regarded as a form of nationalisation.

Broadening the scope of the Deposit Guarantee Fund has thus come to be seen as the most viable alternative. The proposal is that, through an annual quota, funds will be available not merely to protect depositors but to help the ailing bank revive or to assist another bank to take it over. This scheme is being held up by difficulties in activating the enlarged fund.

Early introduction of this scheme is considered vital. This *year the* Bank of Spain has issued tough regulations on the presentation of accounts which for the first time, will make losses difficult to conceal. The main cause for the difficulties of the troubled banks has been the cumulative effects of recession, high (and illegal) interest rates offered to capture deposits, over-exposure on the inter-bank market, and a high proportion of business conducted between associated companies. There are currently eight legal proceedings involving people connected with banks in the Corporacion Bancaria.

Finnish paper union accepts wage offer

By Lance Keyworth in Helsinki

THE FINNISH paper-workers union, one of the key industrial unions, has accepted an employers' offer on a labour contract. Wages and fringe benefits will be increased in two steps in March and October, and the settlement is equivalent to a 9.5 per cent rise in annual earnings.

Most unions seem to have accepted a 9-10 per cent increase as the target for the next 12 months.

Concern is now centred on the 20 per cent increase demanded by the farmers in the form of higher prices for their products and increased subsidies.

COMPANY NOTICES

BOND DRAWING

EDUCATIONAL

LEGAL NOTICES

TRAVEL

CLUBS

OVERSEAS NEWS

S. Africa forces withdrawing from Rhodesia

BY BRIDGET BLOOM, AFRICA EDITOR, IN SALISBURY

KEY UNITS of South African troops which have been operating in Rhodesia over the past few months in apparent contravention of the Lancaster House agreements are now being withdrawn in anticipation of the imminent formation of a new Zimbabwe Government by Mr. Robert Mugabe, the victor in last month's general election.

According to Rhodesians and African nationalists at least four companies of South African troops, together with at least two airborne units and their equipment, have returned to South Africa in the past 56 hours.

Since late last week more than 600 men and a considerable amount of equipment—including Puma helicopters, armoured cars and other mine-protected vehicles—are thought to have returned to South Africa.

The presence of South African troops in Rhodesia has been a consistently contentious issue between the British Government and the Patriotic Front, which was jointly led at Lancaster House by Mr. Mugabe and Mr. Joshua Nkomo.

A spokesman for Lord Soames, the Governor, maintained in early January that the only South African troops in Rhodesia at that time were "a small unit" stationed with the Governor's approval at Beit Bridge, the road and rail frontier on the Limpopo River.

This unit — variously put at between 150 and 450 men — was withdrawn at the end of January following Patriotic Front and international pressure. But Mr. Mugabe continued to maintain that several thousand South African troops were still in Rhodesia, in contravention of the Lancaster House agreements.

These provided that there should be "no external involvement" of any sort — including South African — during the British-run transition to independence.

Neither Government House nor Pretoria would confirm the withdrawal of the estimated 600 men though guerrilla sources here maintain that several South African units were still in the country.

Unofficially, Rhodesian sources confirmed the withdrawals but repeated the official claim that the South Africans had been serving as individuals who had joined the Rhodesian armed forces as volunteers.

Government House has always admitted the presence of such volunteers. But while Britain may be able to argue that the letter of the Lancaster House agreements has been kept, the spirit would seem to have been broken in that South African units — even under Rhodesian colours and possibly under nominal Rhodesian command — were deployed, particularly in the south-eastern area known as Repulse in the run-up to last month's election.

It is not clear whether the weekend withdrawal took place at the express request of Mr. Mugabe. The Prime Minister-designate, who since his election victory has called for a policy of good neighbourliness and mutual co-existence with South Africa, has made no secret of his intention to rid the Rhodesian army (which he intends to merge with the guerrilla armies) of all South African and "mercenary elements."

In the past, the guerrilla parties have been fearful of a South African-backed Rhodesian army coup or even an invasion of Rhodesia by South African troops similar to that which was launched in Angola in 1975.

Treurnicht decision today

BY QUENTIN PEEL IN JOHANNESBURG

THE CONFRONTATION between Mr. P. W. Botha, the South African Prime Minister, and hard-line conservatives in his party led by Dr. Andries Treurnicht, the Minister of Public Works, is expected to reach a climax within the next two days.

A clash between the two has become inevitable because of Mr. Botha's attempts to remove some aspects of racial discrimination, although both agree on the underlying strategy of separate development. Matters came to a head when Dr. Treurnicht last week criticised plans to invite a coloured rugby team to take part in a hitherto all-white schools' rugby festival.

The Prime Minister has publicly repudiated Dr. Treurnicht twice in recent days and has effectively told him to back the Cabinet majority or quit.

Dr. Treurnicht will be forced to make up his mind by today's Cabinet meeting, and any decision will have to be endorsed at the parliamentary caucus meeting of the National Party tomorrow.

Binaisa flies to Nairobi for talks with Moi

BY JOHN WORRALL IN NAIROBI

PRESIDENT Godfrey Binaisa of Uganda flew to Kenya unannounced yesterday to have talks with President Daniel Arap Moi about improving bilateral relations and stimulating trade between the two countries.

Some diplomats in Nairobi believe that President Binaisa will also raise the question of replacing the Tanzanian troops in Uganda with a Commonwealth force, including Kenyans.

President Binaisa flew to Dar-es-Salaam last week to see President Julius Nyerere of Tanzania, who is threatening to remove 10,000 of his troops from Uganda within a few weeks. This will leave Uganda largely defenceless, with a small, largely untrained army and police force, and under threat from factional and tribal groups who seem to have recruited private armies.

President Nyerere has threatened to withdraw all his troops if factional and tribal squabbling inside President Binaisa's Government does not cease, and a solid effort is not made to pursue the task of reconstruction.

President Nyerere is apparently alarmed by allegations of growing corruption among Ugandan officials, and especially by the reports of a build-up of private armies in the country. One of these is alleged to have been recruited from supporters of the former President, Mr. Milton Obote, who want him to return to Uganda. Obote is now in Dar es Salaam. Another group is made up of Baganda determined to stop Obote's return.

Uganda intellectuals believe that the only way to stop the divisions in the country from lapsing into warring factions is to bring forward the elections, due in June next year, to provide Uganda with a properly-elected Government.

Reuter adds: Thousands of Ugandans have fled their homes in north-east Uganda to escape attacks by armed tribal raiders, Radio Uganda, monitored in Nairobi, reported yesterday.

The Reverend Kefa Sempangi, Uganda's Deputy Minister of Culture and Community Development was reported to have visited 4,000 refugees in a camp at Soroti, Eastern Uganda and to have found that many of them were starving.

Uganda's ordeals are far from over

BY MICHAEL HOLMAN

FROM THE green upholstered benches of Uganda's Parliament chamber, members of the National Consultative Council debate a Bill to set up special courts to try members of the administration of Idi Amin.

Presiding over the debate is Mr. Edward Rugamayo, the powerful chairman of the 127-strong council. He is addressed as Mr. Speaker, and members rise on points of order. A council member, one of the many lawyers in Ugandan public life, quotes Bertrand Russell in his elegant speech, in which he touches a most sensitive political nerve.

Should not the Bill be broadened, he argues, to include offences committed by officials in the Government of Mr. Milton Obote, Amin's predecessor, who although in self-imposed exile in Tanzania, remains a political force. Had not the rot set in before Amin, he asks.

President Godfrey Binaisa (right) and former President Milton Obote, a political force in exile.

The achievement represented by these punctilious proceedings has been underrated. First, although Idi Amin's regime was overthrown by Tanzanian soldiers abetted by Ugandan guerrillas, there is a civilian, not a military, Government, and it is committed to elections by June 1981. Second, rather than summarily despatching universally loathed figures of the Amin regime, the council—effectively an interim Parliament—scrupulously considers the legalities of retribution.

With the Bill on the statute book, Uganda will ostensibly have taken an important step towards "moral reconstruction" which, President Godfrey Binaisa says, is as important as economic rehabilitation.

But Kampala diplomats are increasingly sceptical about the Government's commitment to the former and its capacity to fulfil the latter.

Increasing corruption is undermining economic recovery. At the top it stems from a desire to get rich: at the bottom from the need to survive. Accusations of kickbacks for senior officials are common in many African countries, but, one diplomat complains: "In most of those countries it oils the wheels. Here it doesn't do that—it just hampers the reconstruction."

It is seen as part of a nervous scramble for personal security. A major ministerial reshuffle towards the end of last year was followed last month by the demotion of Mr. Paul Muwanga, the Internal Affairs Minister. Doubts about the future of some key army officers, against a background of general political uncertainty, have left few senior officials confident about their future. The uncertainty is aggravated by an ill-defined and often far from harmonious relationship between the council and the President.

The uncertainty is also due to the Government's continuing failure to deliver the economic goods—perhaps the only way it could win the confidence of the 13m Ugandans. Ten months after Kampala was liberated, such basic commodities as salt, sugar, rice, flour, cooking oil and soap are still not generally available. The black market flourishes and prices keep rising. A bunch of plantain bananas—the staple diet—which cost Shillings 30 (£4.80) last November now sells for Shillings 180 to 200. Most workers earn under 1,000 Shillings a month, and a bunch lasts them and their families only a few days.

The Shilling is freely exchanged at 10 times its official rate. The Government tried to reduce money supply last October by withdrawing the old currency, replacing it with new notes and requiring some of the money changed to be kept in the banks. It proved a farce. Many bank officials simply exchanged old for new in return for a percentage of the take.

The small community of diplomats and aid workers is pessimistic. Armed robberies and car thefts are rife, despite a curfew. Examples of delays and inefficiency are cited with increasing irritation.

Most observers accept that the 20,000 Tanzanian soldiers and 1,000 policemen still based in Uganda play an essential stabilising role, despite criticisms of their conduct, particularly in the North.

But the price is high. Last December's budget allocated 23 per cent of recurrent expenditure to defence, compared with 7 per cent for agriculture. Uganda has also started meeting a commitment to pay Tanzania $110m in exchange for security arrangements. Payments will take the form of coffee — which provides over 95 per cent of Uganda's export earnings.

Coffee production itself has yet to recover from the ravages of the Amin years. From the peak of 251,000 tons in 1969 it fell to 103,000 tons in 1978-79, and Coffee Board officials forecasts a maximum of 130,000 tons in 1979-80.

The Government is still trying to restore international confidence. After considerable debate the Consultative Council has published an outline of economic policy making it clear that private enterprise, local and foreign, is welcome, and that the 1964 Foreign Investment Protection Act will soon be revised.

It points to the hundreds of millions of dollars pledged in aid, much of it after last October's Paris meeting of the Consultative Group on Uganda, chaired by the World Bank. Negotiations are going on with the International Monetary Fund for further drawings.

A one-year development plan is being drawn up and the civil service, generally of high calibre, is being overhauled.

Yet the international community continues to look askance. Doubts about the security of foreign nationals in Kampala, about the Administration's probity and ability to channel aid, and fears for political stability all stand in the way of economic revival.

Ugandan officials, for their part, argue that they are gripped in a vicious circle. Without massive aid, shortages will continue: these contribute to lawlessness, which in turn affects the Administration's stability.

Giscard visits Riyadh

By Anthony McDermott in Riyadh

PRESIDENT Valéry Giscard d'Estaing yesterday crowned his politically successful tour of the Arab states of the Gulf and Jordan with an unscheduled private visit to Saudi Arabia for a meeting with Crown Prince Fahd.

The addition to the French President's itinerary compensated for the cancellation of a visit to the kingdom last month by M. Raymond Barre, the French prime minister, because of the ill-health of King Khaled who was taken to hospital with heart trouble. President Giscard also met King Khaled yesterday.

The main purpose of the visit was to cash in on the success that the French President has achieved through his forthright backing for Palestinian self-determination and the involvement of the Palestine Liberation Organisation in negotiations to settle the Middle East conflict.

Reuter reports from Paris: Mr. Yassir Arafat, Chairman of the Palestine Liberation Organisation, yesterday praised President Giscard for showing courage through his endorsement of the Palestinian people's right to self-determination.

In a television interview conducted in Beirut and shown in France, the PLO leader also attacked President Carter for damaging the credibility of his administration and the United Nations in his handling of the recent Security Council vote on Israeli settlements.

Commenting on the French President's statements on the Palestinian issue during his tour of Arab states, Mr. Arafat said: "This was a brave step, to declare acceptance of our right to self-determination. I hope it will be followed by recognition of our independence and of the PLO."

Reuter reports from Damascus: Syrian security forces are reported to have killed a prominent leader of the outlawed Moslem Brotherhood in a clash in the northern city of Hama last week. The man was named yesterday as Bassam Arna'oot and he was said to have played a key role in an extremist faction of the brotherhood.

The organisation has been blamed by Syria for a series of assassinations and acts of violence against the Government.

New suburb plan for Jerusalem

BY DAVID LENNON IN TEL AVIV

ISRAEL'S new hard-line Foreign Minister was due to be sworn in last night amid reports that the Cabinet is considering expropriating up to 5,000 acres of Arab-owned land in east Jerusalem to build a new Jewish suburb.

The Cabinet hawks, who will be strengthened by the appointment of Mr. Yitzhak Shamir to the Foreign Ministry, appear to have decided that the time is now appropriate to revive a plan of the last Labour Government to build 10,000 new apartments in the Arab part of the city which was captured in 1967.

Detailed proposals for what is probably the largest single land expropriation in Jerusalem since it was annexed after the war, and for the housing project were submitted to the Cabinet by Mr. David Levy, the Housing Minister.

A special ministerial committee headed by Mr. Yigal Hurvitz, the hawkish Finance Minister, is understood to have been asked to examine the proposal.

The original plan was not implemented because of objections by the Jerusalem municipality which had designated the area as a landscape preservation zone. But pressure from the Likud Government has resulted in the designation being changed in a new municipal plan.

Last week the Housing Minister told the Arab town of Hebron on the West Bank of the Jordan to study the practical arrangements needed to implement the Government's controversial plan to settle Jews there.

The new Foreign Minister is expected to support settlement projects in Cabinet and to speak vigorously in defence of them in the face of foreign criticism. Mr. Shamir refused to support the Camp David agreements or the Egypt-Israel peace treaty because he felt they involved too many concessions by Israel.

L. Daniel reports from Tel Aviv: Following the decision to build a new generation of jet fighters in Israel, an Israeli concern has put forward a proposal to make the engines in Israel instead of using imported U.S. engines. Beit Shemesh Engines said yesterday that about $150m would be required.

Beit Shemesh already makes the engine for the Fouga Magister training jet and can produce a third of the parts needed for engines powering Phantom and Kfir jets.

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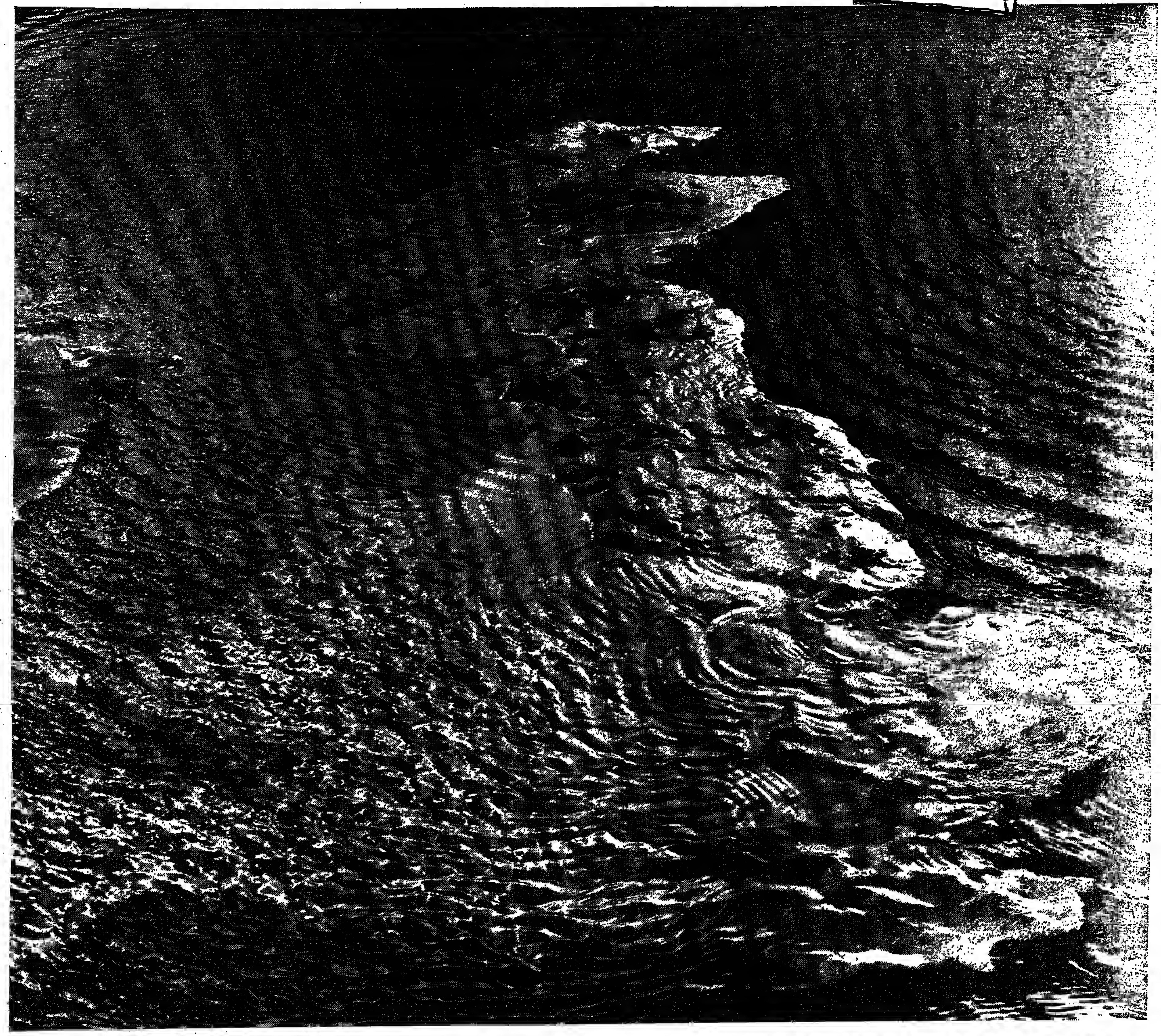

U.S. mortgage rate rises to record level

BY STEWART FLEMING IN NEW YORK

THE COST of borrowing for U.S. home-buyers was increased yesterday when two of the largest savings and loan associations raised their prime rates, one to 16 per cent and the other to 16¼ per cent, a record.

The increases ara the third in the past two weeks for the institutions, American Savings and Loan and Home Savinga and Loan. They carry a stage further the unprecedented rise in the cost of housing finance since the Federal Reserve Board raised its discount rate from 12 per cent to 13 per cent on February 13.

The rapid rise in financing costs, and the resulting problems facing both borrowers aod lenders, are threatening the U.S. housing industry with perhaps its worst recession since the Second World War.

It is clear that the savings and loan associations are joining the mutual savings banks in virtually ceasing to make new lending commitments. Instead they are placing new deposits into high-yielding money market instruments such as certificates of deposit.

Mr. Ken Thygerson, chief economist at the U.S. League of Savings Associations, the industry's trade association, said yesterday: "The rise in mortgage rates has reached levels at which many lenders are basically closing their lending windows. They are trying to scare off horrowers and avoid making new commitments."

Mr. Thygerson forecasts that the bousing industry will build only about 1.2m new dwellings this year, down from 1.8m last year and 2m in 1978.

Mr. Michael Sumichrast, chief economist at the National Association of Home Builders, says that unemployment in the construction industry is around 530,000, due, in part, to rising interest rates on bousing as well as other property construction. He adds that he is expecting unemployment to rise to 1m this year.

Bid to cut defence budget

By David Buchan in Washington

THE CARTER Administration is studying the new defence Budget proposals, for savings to help shrink the 1980-81 Budget deficit. The move is being taken on Congressional leaders' advice.

At the same time, the President's foreign policy and security advisers have been urging that as few cuts as possible should be made in the 1980-81 defence Budget, which Mr. Carter proposed in January should be increased by a real 3.3 per cent to $142.7bn (£64bn).

They argue that cuts would be seen as a sign of weakness by the Russians, as well as by America's NATO armies, who have heen asked to increase military spending hy a real 3 per cent a year.

The Administration has been told by Capitol Hill leaders, in a series of meetings which continued yesterday, that balancing the 1980-81 Budget—perhaps by $15bn in spending cuts and a $4bn-$5bn tax increase—would he politically impossible, if no sacrifices were to be made in defence.

Officials at the Office of Management and Budget said yesterday that one possible compromise was for the Defence Department to he allowed to keep its original budget total, but for any extra money it needed during 1980-81 to be met out of savings elsewhere.

Administration officials have warned that without a SALT-II treaty with Moscow, the U.S. would bave to spend more on nuclear weapons. Coincidentally, interest is reviving inside the Administration in trying to get Senate approval for the treaty later this year.

The reasons are partly political—the President now looks likely to be the Democratic Presidential nominee in the autumn, and the challenge by Senator Edward Keonedy, though by no means over, is looking a little forlorn.

It is also argued that further delay into 1981 in ratifying the treaty may make the agreements unacceptable to the Russians, who might then want to re-negotiate the whole package.

Ford pay deal 'broke guidelines'

BY IAN HARGREAVES IN NEW YORK

FORD MOTOR violated the Carter Administration's wage-price guidelines by its wage settlement last autumn with the United Autoworkers union, the Council on Wage and Price Stability has decided.

The ruling technically exposes Ford to possible exclusion from Federal Government contracts — a move which would he highly damaging to Ford at a time when it is losing money heavily on its U.S. car operations.

It is more likely, however, that Ford and the council will reach some agreement on compensatory price restraint to avoid retaliation. This was the case with General Motors, whose settlement was also ruled to be in breach of the guidelines.

The council's powers to bar violations from Federal contracts has so far not been used, although 14 companies, all of them small, are listed as being liable for Government retaliation.

Unless Ford can work out a deal with the council this week, it will join that list and the administration will then have to decide whether it wishes to make an example for the country's second largest motor manufacturer.

Ford contends that its settlement, which was very similar to GM's, was in compliance with the 7 per cent annual wage and benefits guideline.

Chrysler, the third largest motor manufacturer, was also originally ruled to bave broken the guidelines, but the council has now decided that the cuts in the pay award made as part of the terms of congressional support for the company have brought the settlement within the rules.

Duarte joins Salvador junta

SAN SALVADOR—The Christian Democratic Party has elected its leader, Sr. Jose Napoleon Duarte, to fill the vacant seat on El Salvador's ruling five-man civilian-military junta.

Sr Duarte is a political moderate with perhaps the largest public following of aoy party member. He replaces Sr Hector Hirezi Dada, who resigned last Monday.

Low poll in Colombia

BY SARITA KENDALL IN BOGOTA

LESS THAN a third of the Colombian electorate is thought to have voted in the mid-term local elections on Sunday, despite constant urging to do so by Colombian officials and political leaders who are concerned by the chronic apathy shown at election time.

These appeals were coupled with calls from both leading parties, the Conservatives and the ruling Liberals, for voters to demonstrate their faith in democracy to the guerrillas who bave held several ambassadors hostage in the Domioican Republic embassy here for nearly two weeks.

Though full official figures are not yet available it appears that younger, more progressive groups in the Liberal Party have gained ground at the expense of the party's traditional sectors.

Japan group signs $900m LNG deal

BY RICHARD COWPER IN JAKARTA

A CONSORTIUM of Japanese buyers known as JILCO bas signed a contract with Indonesia's State-owned oil company, Pertamina, to supply the group with an extra 3.4m tonnes of liquefied natural gas (LNG) over the next three years.

At current prices the deal is worth more than $900m (£406m) to Pertamina, but with the price of LNG in the deal tied to that of oil, it should work out at more than $1bn.

JILCO — a consortium made up of Nissho, Iwai, Chubu Electric, Kansai Electric, Nippon Steel, Osaka Gas and Kyushu Electric — already bas two 20-year agreements for supplies of about 7.5bn tonnes of LNG from Pertamina each year.

Although it is not yet clear who will get the contract for shipping the gas to Japan, it seems that the new deal bas been negotiated on a free-on-board (fob) basis as opposed to the cif deal agreed for the earlier 20-year contract.

Responsibility for shipment would thus be moved out of Petramina's hands and become the concern of the buyers, in which case it is thought likely that a Japanese company, or companies, would land the shipping contract. At present, Burmah Oil has a 20-year deal with Pertamina for transporting existing LNG shipments to Japan.

The new contract, which has been kept a closely guarded secret, was signed last September and is due to run until 1982. The deal reflects Japan's growing interest in Indonesian LNG and its long-term energy strategy which calls for reduced dependence on oil and increased use of gas for electricity generation and domestic gas production.

Last year, more than 40 per cent of Japan's LNG imports came from Indonesia and the new contract is likely to increase this to about 48 per cent by the end of this year, according to an expert in LNG sales.

The announcement of this new Indonesian-Japanese contract comes on the heels of last Saturday's deal by Pertamina that Indonesia had signed a deal with Japan's leading utility company, Tokyo Electric for the purchase of six shiploads of LNG, each containing 125,000 cubic metres and thought by experts to be worth about $100m.

The Tokyo deal is a one-off contract which is due to finish by the end of this year. It was the first time that Japan's leading utility had bought LNG from Indonesia.

The LNG for the Tokyo and JILCO deals will come from existing facilities at Arun in Northern Sumatra and Bontang in East Kalimantan, both of which are producing all the LNG that was originally contracted for by JILCO in 1976.

For Indonesia, LNG is its fastest growing foreign currency earner. Fortunately for the country, as crude production has declined over the past few years, LNG has come on stream. The Bontang facility which has two trains came on stream in August 1977 to be followed by the three-train Arun facility in September 1978. Although these plants have an official capacity of only 7.5m tonnes a year, they are working at about 15 per cent above nameplate capacity.

Iranian Oil 'abandons' S. Africa shareholding

By Bernard Simon in Johannesburg

THE NATIONAL Iranian oil Company (NIOC) has apparently abandoned its 17.5 per cent shareholding in National Petroleum Refiners of South Africa (NATREF), which operates an oil refinery at the town of Sasolburg, south of Johannesburg.

Although NIOC's interest has not been sold, it bas in effect heen taken over by the oil-from-coal producer Sasol, which has a 52.5 per cent stake in NATREF and is its higgest customer. The other shareholder in NATREF is Total Oil, the local subsidiary of Compagnie Francaise des Petroles.

NIOC's withdrawal stems from Iran's oil boycott against South Africa after the overthrow of the former Shah. Up to last year, Ian bad heen South Africa's leading crude oil supplier. NIOC is believed to have wanted to dispose of its interest in NATREF, but appears to bave been unable to do so yet.

Wheo NATREF was established in 1967, its shareholders agreed to supply their own crude for refining. With NIOC baving discontinued deliveries, Saso has taken over its share of refining capacity.

The three Iranian directors of NATREF bave not attended board meetings for some time, according to local press reports.

Kuwait urges Malaysia oil swap

KUALA LUMPUR — Kuwait has proposed a crude oil swap arrangement with Malaysia, the national Malaysian news agency Bernama, said in a report from Kuwait.

The agency report Mr. Razaleigh Hamzah, Malaysian finance minister oow visiting Kuwait to discuss oil supplies, as saying Sheikh Ali Kalifah al-Sabah, Kuwait Minister of oil, made the proposal in principle.

Mr. Razaleigh said Malaysia initially proposed buying 10,000 to 20,000 barrels a day of Kuwaiti crude for domestic refining. Kuwait replied that it was already heavily committed.

Mr. Razaleigh said that the details of the proposed exchange are as yet unclear hut as he understood it, Malaysia would exchange its lighter crude, which is sometimes not suitable for its own consumption, for part of the heavier Kuwaiti crude intended for third parties.

Malaysia would then make up the reduction of the Kuwaiti shipments to these countries by exporting its crude to them.

According to latest official statistics, Kuwait provided 46 per cent of Malaysia's oil imports in the first ten months of 1979. Malaysia exports nearly 90 per cent of its light crude and imports heavy crude at lower prices for its domestic refineries.

Meanwhile, Sheikh Ali bas denied that Kuwait had asked Japanese oil companies negotiating an oil deal to pay $10 more than the current price of $27.50 a harrel, according to the Kuwaiti newspaper Al Watan. It also quoted him as denying the negotiations had stopped because of the companies' refusal to pay the extra amount.

Sheikh Ali, who was denying reports from Tokyo, said officials from the Japanese companies were in Kuwait, and more were expected to arrive shortly. The identity of the Japanese companies and the amount of oil under negotiationa was not disclosed.

Reuter.

Greek ship orders for Soviets

ATHENS—Greek shipowners, at one time Japan's leading customers for oew ships, have slowly switched to East European and Soviet shipbuilding yards, the Greek shipping magazine, Naftiliaki reports.

In 1979, 20 of the 46 new vessels of over 6,000 dwt contracted for by Greek companies, went to yards in Yugoslavia, the Soviet Union, East Germany and Romania, it states. Japanese yards, for two decades the chief suppliers of new tonnage to the Greek fleet, picked up nine orders during the 12-month period and yards in Western Europe only five, it adds.

Two factors appear to have played a role in this significant switch to East European and Soviet shiphuilding yards, according to the monthly magazine. One was the attractive per ton prices which Greeks have been able to negotiate with the state-run yards eager to pick up dollar husiness. The other was the tough attitude Japanese yards took toward all but the most credit worthy of Greek shipping companies after payment and delivery problems they ran into with a number of Greek clients during the post-1974 shipping crisis.

East European and Soviet shipyards, according to statistics, cornered over 600,000 dwt of new orders from Greek owners in 1979 including contracts for six chemical tankers, four product tankers and six dry cargo vessels.

AP-DJ

Jurek Martin in Miami assesses today's Southern primaries

Acid test for Republicans in Florida

WITH Coogressman John Anderson looking oorth, Mr. John Connally looking back, and former President Gerald Ford looking hoth inwards and outwards, the three Republican southern primaries today in Florida, Alabama and Georgia have narrowed to one question: can Mr. George Bush do anything to derail the speeding Ronald Reagan juggernaut?

For the Democrats, it is assumed that President Jimmy Carter cannot lose either his native Georgia or Alabama to Senator Edward Kennedy, and will win most of the delegates available in the three states.

But Florida in particular constitutes yet another test of national tolerance for a struggling President and his much criticised management of the economy and foreign affairs, especially among this state's large Jewish population after the fiasco of the United Nations vote on Israel. It also sees yet another test of the apparently widespread feeling that, although Mr. Carter may he unloved, Mr. Kennedy is positively distrusted.

If Mr. Bush has a chance in the South it must rest here in Florida, where 51 of the con-Floriad, where 31 of the convention delegates will he selected.

Only in its northern section is Florida typical of the conservative Deep South which is supposed to be Reagan territory. Elsewhere, its voting patterns are determined more by the origins of its immigrants thao hy indigenous passions and beliefs.

In a mere 30 years, the population of Florida has quadrupled and oow stands at over 8m, making it the seventh largest state in the Union. The great influx of those seeking a future in the aun or comfortable retirement has been from the suburbs of the old Northern cities, with a substantial spice in the past 20 years in the form of expatriate Cubans. It is now a truly heterogeneous state, and Mr. Bush claims he is a truly heterogenous candidate.

Reflecting the composition of the state, Florida in recent years has provided a major political test for presidential candidates.

But, in the final event, the Florida primary has heen notable for the absence of candidates, except Mr. Reagan aod Mr. Bush. Senator Kennedy has been in the State for one day this year, a total exceeding that of his two rivals. Mr. Carter and Governor Jerry Brown, Mr. Reagan has made it for 12 days, Mr. Bush for eight (both less than they devnted to New England), and Mr. John Anderson not even once. Mr. Ford plays golf here a lot, but even radio and televislon carry few political commercials.

And yet Florida is still significant for the aforementioned reasons. After Mr. Reagan's early loss in the Iowa caucuses, he has asserted both his conservatism and his political appeal inside the Republican Party as the gloss bas been slowly taken off Mr. Bush's shining armour of enthusiasm. Mr. John Connally's withdrawal is more likely to help Mr. Reagan than Mr. Bush, while moderate Republicans, who prefer Mr. Anderson and, before be quit last week, Senator Howard Baker, seem increasingly unimpressed with Mr. Bush.

If this seems to leave a gap for Mr. Ford, it is one he must fill quickly and decisively, and one which would require him to undertake a far more hruising battle with Mr. Reagan than the one be barely survived four years ago. It is not yet clear if ha has the stomach for it.

LESSON FOR KENNEDY

THE political demise of Mr. John Connally, who retired from the presidential race on Sunday after eliciting scant responses anywhere in the country despite spending over $10m, provides a few lessons.

One is that big business, which invested so heavily in his candidacy, is still deficient in political judgment. Another is that a presidential aspirant must offer more than merely looking, and sometimes speaking, the part.

But the great lesson is that Americans do have political memories. Mr. Connally failed because of his past, not his present. Too many people recall that he was a political turncoat, that he was closely tied to former President Richard Nixon, that he bas always worn flamboyantly his wheeler dealer clothes and that he was charged though acquitted, in the Milk Fund bribery scandal in the early 1970s. Similarly, it is the past not the present, which is haunting Senator Edward Kennedy.

Special message for Little Havana voters

BOTH Mr. Ronald Reagan and Mr. George Bush put their constitutions on the line on Sunday as they campaigned in the throhbing clamour, vivid colour and hlistering heat of the Calle Ocho (8th Street) festival in Miami's "Little Havana."

Their appearances were tailor made for television: in fact most of the thousands attending the festival probably never saw the candidates, bidden as they were in a moving thicket of cameramen and photographers.

It was all a bit much for Mr. Reagan who retired to his air-conditioned car from the madding crowd after walking only one city hlock. The younger Mr. Bush, tieless and suitably wearing a Carihbean shirt, lasted for two frantic hours.

The Cuban expatriates form an important political and economic local force. Their industry has done much to revive a rundown part of Miami; apparently united in opposition to President Fidel Castro — and with the daily reminder of the Bay of Pigs monumeot standing in the heart of Little Havana—their politics tends towards the very conservative.

Mr. Bush's standing with the Cubans is good because he is a former director of the Central Intelligence Agency who says that the CIA should be freed from domestic political restraints. Many of the Cubans remember only too well how the politicians abandoned them at the Bay of Piga in 1962.

But Mr. Reagan is not to be outdone. He bas already called for a U.S. blockade of Cuba and, addressing the local Spanish-speaking Press on Sunday, he said he thought that successive U.S. governments had "harassed" those who very properly were trying to get Cuba out from under Castro's Soviet thumb.

This prompted an immediate outburst from the travelling media who had heen asked to stay quiet during the Press conference. Could Mr. Reagan cite chapter and verse of this harassment? Did it mean he was condoning terrorism, if applied against Castro? The candidate hummed and hawed aod skirted round the problem. But he knew he had got his message across in Little Havana.

The Reagan message is in fact becoming increasingly hard-line. Later in the day, at a Press conference in Fort Lauderdale, be said he had it on the best authority that West Germany, disenchanted with American leadership and under

Mr. Reagan and his wife Nancy at Calle Ocho festival.

great pressure from the Soviet Union, was thinking about leaving NATO and casting its lot with the Eastern bloc. Pressed again, he offered only vague justification for his statement.

Mr. Reagan is clearly much more at ease now that he is free to say what he deeply feels. But the suspicion persists that some of his remarks will return to haunt him sooner or later.

The ohvious explanation lies in his purge of his erstwhile, knowledgeable campaign manager aod guru Mr. John Sears, who would never have allowed the candidate to get into such controversial deep waters.

Now the only check on what Mr. Reagan says is himself, and in the political cocoon in which of necessity he lives he only sees favourahle responses.

Vauxhall to import Isuzu truck

By John Griffiths

VAUXHALL MOTORS in the next few mooths is to begin importing pick-up trucks from Japan for sale through its Bedford commercial vehicles network.

A one-ton pick-up truck made by Isuzu Motors, one of Japan's smaller manufacturers which is 34.2 per cent owned by Vauxhall's parent, General Motors, is to he sold in Britain as the Bedford KB 25.

The market for these small, open backed and often car-based trucks is small—about 8,000 units in Britain last year —hut is believed to have grown quite quickly in the past few years. It is already dominated by Japanese imports and Bedford said yesterday the KB25 was regarded as a useful addition to its dealers' range in a market area where it was "out of the question" to develop a British-built vehicle to cater for such small sales volumes.

Vauxhall, commenting on reports from Tokyo yesterday that the vehicles would be shipped to Britain at an initial rate of 1,000 a year, said no firm sales targets for this year bad been set.

Nissan orders locks from UK

By Kenneth Gooding

NISSAN MOTOR of Japan has placed a contract for steering column locks with Neiman Security Products of Blyth, Northumberland.

Neiman is a major supplier of the locks to BL and Mr. Derek Griffin, managing director, said yesterday that the connection with BL helped win the order.

The steering locks will be fitted to new Datsun models to be introduced in the autumn this year and for export to the European markets. Nissan will take a minimum of 200,000 locks in the first year.

Neiman is part of a family-owned Paris-based group with an annual turnover equivalent to £100m. The German and French Neiman companies are already supplying both car and motor cycle groups in Japan but Mr Griffin stressed that it was "the ability of the English company to design and offer the product at a competitive price which was particularly pleasing to Nissan.

BCal purchases DC-10 for £20m

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH CALEDONIAN Airways has ordered an eighth McDonnell Douglas DC-10 jet airliner, worth about £20m.

The airline will use the aircraft on its long-range routes between Gatwick in the UK and West Africa and South America, and to the U.S.

British Caledonian already has four DC-10s, with another three due for delivery in April, July and October this year.

British Caledonian already serves Houston, Texas, from London, and is authorised to start flights between London and Dallas-Fort Worth in Texas, and Atlanta, Georgia, later this year. It is also licensed to provide services to St. Louis, Missouri, from April 30, this year, and to Denver, Colorado, from April, 1983.

Total orders for DC-10s to date amount to 356 aircraft, with another 31 conditional orders and options, making 387 aircraft in all.

● Orders for 24 more 727 short to medium range jet airliners, worth more than $406m (£182m) bave been announced by Boeing of the U.S.

Eastern Airlines of Miami has ordered 16 of these Trijets worth more than $270m, making it the second largest customer for the Boeing 727 with a fleet of 167 of the aircraft, after United Airlines, with 230.

In addition, Pan American World Airways has ordered eight more 727s, worth about $136m.

A total of 1,773 of the aircraft have been ordered, of which 1,581 bave heen delivered.

Tony Walker in Peking reports on China's first 747s

Flight path uncertain

CHINA'S national airline, CAAC, has taken delivery of the first of three Boeing 747 Special Performance jets. The 747 SP is a shortened version of the Jumbo and is capable of non-stop flights of more than 10,000 kilometres with a full load of 291 passengers.

As with the original Boeing 707s purchased in the early 1970s the Chinese paid cash for the new wide-bodies jets. The $160m deal included spares and training for the Chinese crew.

The addition of the wide-bodied jets to the CAAC fleet gives China's national carrier a versatility it has been lacking. Apart from the 10 Boeings, CAAC has had to rely on short to medium range British Tridents and Viscounts and Russian Ilyushin and Antonov aircraft. However, countries negotiating aviation agreements with China say they have no clear idea what CAAC plans to do with its new wide-bodied jets. It has previously announced scheduled flights to Paris and Tokyo which are expected to begin after April 1 using the new aircraft. But other destinations depend on airline agreements China is still negotiating with a number of countries.

However, now that the Chinese have taken delivery of the first new Boeing—another will follow in June—there is more incentive for China to reach quick agreement on new routes. Although negotiations with the U.S. are still in their early stages it is likely that an agreement for regular services to an American city will he reached fairly soon.

The delivery of the wide-bodied jets also makes it likely that CAAC services to London will start this year. A trade official at the British Embassy said that while an agreement for CAAC to fly to London was signed during chairman Hua's visit to the UK last year, no date has been set for the inaugural flight.

British Airways is waiting for the go-ahead from the Chinese so that it can begin its own service to Peking. BA had planned to start flights in April.

The CAAC (Civil Aviation Administration of China) is as hureaucratic as its name suggests. Its officials are reluctant to discuss future plans even with those representing foreign airlines in the Chinese capital, suggesting that CAAC itself is in a state of confusion about how to re-arrange its scheduling to make best use of its $160m Boeing purchase.

At present CAAC runs regular services to several East European capitals and to Paris, Frankfurt and Zurich in Western Europe. It also has flights to several cities on the sub-continent and to Tokyo.

China's airline uses Boeing 707's, purchased in 1973 and 1974, on these routes. For the weekly Moscow run, CAAC employs one of its Russian Ilyushin IL-62's.

If the new wide-bodied jets are used on the long-haul European routes, it would release some of the Boeings for work closer to home. Apart from a twice weekly flight to Manila, CAAC has no flights to other South East Asian capitals.

With the large overseas Chinese population throughout the region it would make sense for CAAC to run regular services to such places as Singapore and Thailand. And an agreement may well be reached this year for an exchange of services with Singapore Airlines and Thai International.

The long range Special Performance Boeing 747s will allow China to take advantage of any exchange agreement with the Americans. The aircraft is ideally suited to the long distances involved in flights across the Pacific.

CAAC would undoubtedly be attracted to servicing an American airport because of the large number of American businessmen and tourists now travelling to China.

Pan American, which is keen to start services to China, is using Boeing 747 SPs on its trans-Pacific flights from the American West Coast to Hong Kong.

Two of China's top pilots demonstrate their skills on a 747 flight simulator.

Nimslo wins £2.7m aid to make 3-d camera

BY RAY MAUGHAN AND RAY PERMAN

NIMSLO HAS won Government assistance to set up production of its three-dimensional camera at the Timex Corporation plant, Dundee.

Mr. Alex Fletcber, Minister for Industry at the Scottisb Office, said yesterday that the Government is making available grants of £2.7m for manufacture of quadralens cameras in the Scottisb city.

The Scottisb Office is granting £1.8m under Section 7 of the Industries Act, 1972; a further £900,000 will be provided through regional development grants. Total cost of the project will be £12m.

Nimslo, the UK subsidiary of Nimslo Technology of Atlanta, Georgia, intends to create 850 jobs in Dundee during the next four years, and expects to stsrt production next year.

The camera is expected to retail at about £90 in Britain. It ls part of the complete print material and processing system of three-dimensional photograpby devised by Dr. Jerry Nims and Mr. Allen Lo.

Ten years ago the partners formed a development company, Nimslo Technology, based in Atlanta. In 1978 British institutional investors subscribed about £3m for a 40 per cent holdlng in the new UK subsidiary, Nimslo.

Tbe group expects output from Dundee to reach 100,000 to 200,000 units next year. Output ls expected to rise tenfold by 1985. By then Nimslo hopes to bave captured 3 to 5 per cent of the world still photograpb market.

"One of the major reasons for the Government supporting this project," Mr. Fletcher said, "was the benefit in employment terms. Dundea bas bad more than its fair share of problems in the recent past and unemployment is currently running at 9.9 per cent."

Timex was one of the largest camera manufacturers ln tha world, producing 40m units since 1952, 14m of them in Scotland.

It made cameras for Polaroid in Dundee until last year, wben Polarold decided to enter UK production on its own. About 800 employees prodnced these cameras when output was at its peak.

Mr. Graham Thomson, who will direct Timex production of Nimslo cameras, said tha contractor's major concern was job-retention over the next few years.

Nimslo first indicated its interest in manufacturing ln Scotland to a team from the Scottish Davelopment Agency. The team was visiting Atlants during a tour of the U.S. last spring, aimed at securing new investment.

Timex, one of Dnndee's largest employers, has heen looking for new activities for its skilled engineering lahour force. This work force is becoming less involved in watch-production because of the shift from mechanical to electronic movements.

Mr. Fletcher said: "Nimslo considered a number of potential locations all over the world for manufacture of the new camera.

"The final choice of Timex is an endorsement of the Dundee company's fine engineering record and the excellent performance of the management and workforce."

Investors 'deterred by tax structure'

BY RAY PERMAN, SCOTTISH CORRESPONDENT

BRITAIN is losing out in trying to attract investment from abroad by the widespread misconception that companies pay tha full 52 per cent corporation tax, Mr. Lewis Robertson, chief executive of the Scottish Development Agency, said yesterday.

Giving evidence to the Commons select committee on Scottisb affairs, wblcb is investigating industrial promotion, be said that the UK tax structure looked particularly unfavourable, wben compared to the Irish scheme, whicb offered a tax-free boliday on export profits.

"We suffer because we persist in saying that there is a 52 per cent corporation tax rate, although migbty few companies with good finsncial directors actually pay that. In our efforts overseas, we have to labour to make thst point."

After deducting allowances for stock appreciation and other items, the average tax paid by companies was about 16 per cent.

The package of financial incentives offered to companies as an inducement to invest in Britain was a very important factor in industrial promotion.

Companies sbould take a long view of their likely performance in varions locations, considering such factors as infrastructure, communications, and the availability of skilled labour. But modern accountancy techniques, such as discounted cash flow, put the emphasis on the first years of a plant's operation and the initial start-up costs.

Mr. Robertson was asked about the substantial tax concessions being offered by the Irish Industrial Development Authority to sucb companias as General Electric, which, as reported in the Finaocial Times on Friday, is shortly to make a final decision on wbether to establish an industrial diamonds plant in Ireland or Scotland.

Questioned

He replied that there was increasing debata within the Irish Republic about the bidding up taking place to attract investment, and it was baing questioned wbether the price paid represented value for money.

Mr. Jim Gorie, the SDA's promotions director, said that, for a recent project which bad been lost to Ireland, it had been calculated that the extra financial benefit of locating in Dublln rather than in Glasgow would be $5m in the third year of operations.

A written submisslon to the select committee revealed that the SDA target is to attract 10 new companies each year to Scotland from 1981-82 onwards, compared with only 13 whicb moved lnto the country in 1978 and 1979.

"Failure to meet the target suggested will hsve serious long-term consequences for Scotland's industrial base, and will prevent the creation of important job opportunities for many people," the document added

● Engineering employers in Scotland are becoming alarmed at the success foreign companies and governments are having in recruiting skilled labour to work abroad.

Mr. Bill Munro, director of the Scottisb Engineering Employers' Association, said yesterday that he had been horrified to bear that a recruitment drive by South Africa was in progress with a target of signing up 1,000 workers.

N. Ireland is chosen for computer plant

BY OUR BELFAST CORRESPONDENT

THE POST Office has decided in principla to set up a computer software engineering centre in Northern Ireland to service its communications network throughout the UK.

About balf of the anticipated 400 jobs will go to graduates.

Belfast's growing reputation in the micro processor and engineering software field is the Post Office's reason for siting a Systems Software Enginaering Centre in Northern Ireland. The specific location will be chosen in consultation with the Northern Ireland Department of Commerce.

The centre will employ about 40 qualified staff during the first year and up to 200 within five years. An equal number will be employed in support roles.

The Post Office said that Queen's University, Belfast, the New University of Ulster, at Coleraine, and the Ulster Polytechnic were all producing graduates who sbowed potential for the type of work it envisaged. Graduates qualified in electronics, electrical engineering and compnter sciences will be trained within the Post Office telecommunications organisation.

The Commerce Department believes the move adds credibility to its claim that the region can offer the bigh level of technical skills needed by the micro-electronics and computer industries.

Mr. Giles Shaw, the Parliamentary Under-Secretary responsible for industry, said it was "just the type of economic activity" which Northern Ireland needed in order to broaden its industrial base.

U.S. company may make silicon chips in Britain

BY ELAINE WILLIAMS

AMI, a U.S. electronics company, is considering setting up a factory in Europe to make semiconductors — silicon chips. Britain is a favourite site.

Mr. Glenn Penisten, chairman and president, announced the interest in a European factory yesterday, at the opening of the company's European beadquartars and technical centre at Swindon.

Tentative talks bsve been beld with development agencies in the UK, France and Germany. But Mr. Penisten said the decision when and where to site the factory would depend on the growth of European demand for silicon chips.

European sales are expected to increase by an annual compound rate averaging 43 per cent by 1983, according to the company.

In 1975 Bosch, the West German car components company, bought 25 per cent of AMI when it fell into financial difficulties through losses in calculators and digital watches. Borg-Warner, the U.S. automatic transmissions manufacturer, later bonght half the Bosch stake.

The staff at Swindon is likely to double wlthin a year. AMI is to concentrate on making custom-designed circuits for consumer telecommunicationa and data-processing.

AMI has a backlog of orders worth $79.3m, representing eight months' worth of sales. To belp cut this the company has introduced a computer design system which it says reduces design time by half.

This system will be available in the UK next year.

SUE CAMERON ON THE DEBENDOX DILEMMA

When doubts can damn a 'safe' drug

SALES OF Debendox, the drug designed to stop vomiting during pregnancy, have dwindled to almost nothing in the UK during the last two months because of publicity which has questioned the product's safety.

Debendox is manufactured by U.S.-based Richardson-Merrell, and ia believed to contribute abont £700,000 a year to the compsny's UK turnover—roughly 10 per cent of tbe total—so the company's profits are likely to be harmed. Yet the company says the evidence against Debendox is extremely tenuous.

Another drug currently under media attack is Valinm, produced by the Swiss company Hoffmann-La Roche. Since the drug was accused of being bighly addictive, it is thought that sales of some Roche products have dropped by around 20 per cent over the past three months. The company says there is medical evidence that only one patient in every five million becomes dependent on Valium.

The pharmaceutical groups say the controversy over the two medicines illustrates the disproportionate effect television and the Press can bava if they cast suspicion on a drug. Tbey argue that reports about drugs too often degenerate into scare stories that barm patients as well as making unjustifiable inroads into company profits.

Companies like Roche, Ricbardson-Merrell and Lilly Industries say consumers are in a peculiarly weak position to judge a drug's safety. They bave to rely on the evidence of others in wbatever form it is presented.

Because people are anxious to avoid becoming drug addicts or giving birth to deformed habies, the slightest doubt abont a medicine's safety can be enough to damn it. Tbe big pbarmaceutical companies say the benefits of a drug are usually forgotten after the first hint of adverse side-effects.

Debendox bas been accused of causing a rare deformity—Poland's anomaly—in children whose mothers have taken the durg during the early stages of pregnancy. The parents of a boy born with the disease are sueiog Richardson-Merrell for $10m in the U.S.

Average

The drug bas been available for 22 years and more than 30m women have taken it. Richardson-Merrell says the average incidence of deformed babies born to people who have taken Debendox is 2 per cent—the same as for all births.

The U.S. Food and Drug Administration — normally first in the field to question any product's safety—appears to be satisfied that Dehendox does not increase tbe risk of a deformed baby being born.

The UK Committee on the Safety of Medicioes examined the drug in 1978 and again in February last year. It, too, saw no reason to withdraw Debendox although it has now been asked to undertake a further monitoring exercise in the light of the U.S. court case.

Pregnant women who suffer severe morning sickness which Debendox aims to prevent, run a higher than average risk of giving birth to s deformed baby. Some woman even die of malnutrition resulting from morning sickness.

Richardson-Merrell's reduced sales suggests that patients are now unwilling to take drugs designed to stop vomiting—whatever their doctors may advise. The company says that the present scare has disturbed doctors wbose patients refuse to take the medicines prescribed.

Tbe major pbarmaceutical producers say that even balanced and accurate reporting of the possible side-effects of a drug can make patients unreasonably frightened. Ricbardson-Merrell, for example, believes that its side of the Debendox story has heen given a fair airing in most newspapers.

Nor did Lilly Industries disagree with a television programme wbicb pointed out thal even a small overdose of its pain killer, Distalgesic, could be lelbal. The programme led to a substantial — thougb temporary —drop in sales of Distalgesic.

Lilly was worried by the way viewers seemed lo assume thal Distalgesic was totally unsafe. Like most drugs, it is safe if taken as prescribed, and highly dangerous if an overdose is taken. Lilly says that aspirin, which can be bought in most supermsrkets, can kill if taken in excess.

Lilly argues that some patients who needed to take Distalgesic — a particularly powerful painkiller — suffered unnecessary paio because they were scared to take it after seeing the programme.

Roche, which has already attracted adverse publicity worldwide because of accusations of overpricing, is in a more difficult position with its henzodiazepine drugs such as Valium. Patients are often unaware of the names of the drugs that are prescribed for them, but most people today hsve heard of Valium.

Roche agrees that Valium is widely over-prescribed by some doctors who do not have time to discuss the cause of a patient's anxiety. The drug is undoubtedly useful in certain circumstances, and Roche says doctors, who know their own patients, must be left to decide whether tranquilisers should be prescribed.

Adverse

Halcion, marketed as an hypnotic by the U.S. company Upjohn, was banned in Holland as a result of television assertions that it caused adverse side-effects ranging from beadaches to schizophrenia.

Tbis drug bas heen passed as safe in a number of countries, including the UK and Belgium —wbose Ministry of Health has recently completed an extensive investigation into it—and sales are growing strongly in most parts of Europe.

The major pharmaceutical groups are clearly concerned about the apparently growing influence of publicity on their drug sales. They are especially disturbed by calls for foolproof evidence that a medicine is safe before it can be put on the market.

The companies emphasise that such a demand is impossible to meet because all drugs carry some risk, however small.

Drug companies are also worried about the public's apparent lack of faith in such watchdogs as the UK's Committee on the Safety of Medicines, which can act rapidly to ban a pharmaceutical product if there is evidence that it offers serious risks to patients. It has sometimes been criticised by a drugs group for acting too quickly.

The companies are, perhaps, partly to blame for the attacks on their products. In the past they have often been unwilling to discuss their own research relating to the safety of drugs. Even today, tbe information they provide for the Press and public tends to be sketchy.

Even the companies agree that Press highligbting of such episodes as tbe thalidomide affair was admirable. But the companies would appear to have some justification for saying that publicity about medicines can sometimes not only hit their profits hard but can also go against the interests of patients.

Court 'backs price ring' in cement

BY ANDREW TAYLOR

CEMENT manufacturers were *strongly criticised* yesterday by Sir Maurice Laing, president of the *Federation of Civil Engineering* Contractors. He said they were operating a price *ring* with the approval of the *Restrictive Practices* Court.

Earlier this month the Cement *Makers' Federation* raised the price of Portland cements, by far the most widely used in construction, by 24 per cent.

The engineering contractors' federation has prepared a letter to send to Mr. John Nott, the *Trade Secretary*, asking him to review the common pricing agreement between cement manufacturers, cleared by the *Restrictive* Practices Court in 1973.

Final terms of the letter will depend on the outcome of a meeting today between Sir Maurice and the Cement Makers' Federation.

Apart from the size of the cement price increase, the civil engineers have criticised manufacturers for giving inadequate warning of the increase, which they say could have been staged to lessen the impact on construction companies.

Sir Maurice, speaking at a civil engineering contractors' lunch, said that the industry had been warned only on February 11 of a price rise on March 1.

The cement manufacturers have said the increase was needed to *offset rising* fuel costs and pay for essential modernisation of ageing plant.

Sir Maurice said that civil *engineers* faced the same fuel price increases, and needed to replace plant. Yet because of increasing Government insistence on what were effectively "fixed-price" contracts, margins in the industry had been seriously eroded.

The civil engineering contractors said yesterday that the increase in cement prices would raise cost of contracts using heavy reinforced concrete by about 2 per cent. Given present margins of between 1½ and 2 per cent, some contractors on fixed price contracts would operate at a loss, or at best break even.

Cement-makers should be subject to the same free-market forces as builders and contractors, said Sir Maurice.

"If the Government is really *committed to free enterprise* and to competition in every *sector, and I believe they are*, then they must see the injustice of this situation and remedy it."

The common pricing agreement affecting Portland cements has been in force since before the war. Twice this cartel has been unsuccessfully challenged in the Restrictive Practices Court. The industry has been the subject of two Price Commission investigations in the past 18 months.

Cement-makers said yesterday that it would not have been possible to give earlier warning of price increases, as it was only on February 10 that the industry was informed of a 20 per cent rise in coal prices from March 1.

Manufacturers added that total rise in prices for 1980 would have been higher if increases had been staged.

Transient managers 'face low pensions'

By Eric Short

FEW MANAGERS in the UK are likely to stay long enough with one employer to earn the full company pension of two-thirds of final salary, according to the British Institute of Management.

A survey* published today by the pensions panel of BIM's economic and social affairs committee shows that the loss of pension can be as much as half for managers who change jobs frequently.

The survey analyses managerial mobility and shows that an increasing number of managers periodically change employers.

A manager aged 35-39 will probably have had three employers, compared with less than two 30 years ago. The survey estimates that by the time present managers retire no more than 10 per cent will have spent their working life with one employer.

The survey found that very few managers fully understand the loss of pension rights. Careers are nearly always con*sidered* more important *than* pensions. Most managers expect some *loss of* pension rights, but the survey found that most did *not realise* the extent of the loss.

The BIM suggests that to counter *this* lack of understanding managers should be given *full information* on the pension consequences of a change of job. They should also have ready access to outside advice and be able to "top up" their pensions with extra contributions, it says.

**Pension Rights on Changing Jobs Management Information Sheet No. 59. British Institute of Management, Management House, Parker Street, London, WC2B 5PT, price £1.50 (members), £2.25 (non-members).*

Clash on picket line as strikers discuss return

NEARLY 1,000 striking blastfurnacemen who face redundancy because of the British Steel Corporation's *decision* to end steelmaking at Corby, Northants, met yesterday to discuss a possible return to work.

Fighting broke out when the men, members of the National Union of Blastfurnacemen, found the doors of their meeting hall blocked by a picket of Iron and Steel Trades Confederation and Amalgamated Union of Engineering Workers strikers. Police restored order without making arrests.

The meeting was called by local members of the NUB—who want a dispensation from the strike because of their impending redundancy—before the results of the BSC's "ballot on a ballot" were known. It is thought to be the first of its type since the national steel *strike began* 10 weeks ago.

Mr. John McGinlay, one of 5,500 men who *will* lose their jobs when the Corby plant *closes in September*, was one of the organisers of the meeting.

No vote was taken, but afterwards he said: "There is little doubt now that the general feeling here is that there should be a return to work." He believed the meeting should have been held much earlier to gauge the strikers' feelings.

The ISTC strike committee in Corby described the meeting as "a complete farce." At its London headquarters the Confederation rejected claims that the strike was cracking, but said it would look "very carefully" at Corby's requests for dispensation.

Corby's blast furnaces should have closed already under British Steel's restructuring plans which will halve the town's *steel jobs* and concentrate on tube making.

There were *also* clashes outside Duport's private steelworks at *Llanelli, where* work resumed at the beginning of last week. Windscreens of two lorries were *smashed* and a picket received *treatment* in hospital.

Roger Taylor

Mr. Hector Smith, general secretary, and Mr. Nicholas Leadley, president of the blastfurnacemen's union arrived at the BSC HQ for talks (left hand picture), and, on the right, Mr. Bill Sirs, general secretary of the steel worker's arrives.

Shell, BP agree to publishing of report

By Raymond Hughes, *Law Courts Correspondent*

SHELL AND BP have waived their right to have their evidence to the Bingham Inquiry on Rhodesian sanctions-busting kept confidential, it was claimed in the Court of Appeal yesterday.

The companies had consented *to publication of the Bingham* Report, which contained extensive *summaries of their* submissions, said Mr. Mark Littman, QC, opening an appeal by Lonrho against High Court judge's *decision* last week that documents prepared by Shell and BP for the Bingham inquiry were covered by Crown privilege and could not be made public.

A claim of Crown privilege, more correctly known nowadays as a claim of "public interest immunity," can be made on behalf of the Government when it believes that disclosure of certain information would not be in the public interest.

Lonrho says that Shell and BP's Bingham documents are crucial to its legal battle against the two companies, which is due for arbitration in June.

The arbitration is on part of Lonrho's £100m damages claim against 29 oil companies over alleged sanctions - busting. Lonrho's case includes an allegation that the oil companies conspired with the then illegal Rhodesian régime to ensure the success of UDI by continued supply of oil by means other than a Lonrho pipeline.

Assurances

Mr. Justice Robert Goff said last week that Shell and BP documents *had* come to light only because of the Bingham Inquiry, and the companies had been given assurances of confidentiality to ensure their full co-operation.

If such assurances were not honoured, full co-operation might not be forthcoming in future inquiries, said the judge.

Mr. Littman denied yesterday that future inquiries would be significantly affected by disclosure in the present case.

Any witness would know that confidentiality would be limited: that his evidence could, for example, be used in criminal proceedings, or passed on to the United Nations, because of the terms under which such inquiries were set up.

He would also know that even if Crown privilege was claimed it would ultimately be for the court to decide, balancing the need for confidentiality against the requirement that all relevant evidence should be before the court in civil proceedings.

Mr. Littman said that if a future witness was concerned about confidentiality, he need not agree, as Shell and BP had, to a major report being published.

The Bingham Inquiry had been set up to discover the truth. Was a court of law to be the one place in which the truth was not to be told? he asked.

The hearing continues today.

Do not be impatient, says Biffen

By Peter Riddell, Economics Correspondent

MR. JOHN BIFFEN, Chief Secretary to the Treasury, last night urged people to be patient while the Government's economic policies worked through.

At a dinner in London of the Economic Research Council, Mr. Biffen replied to some recent criticisms of the Government's economic strategy while carefully avoiding any discussion of the Budget.

He stressed the need for "realism about the time scales implicit in the Government's economic policy; about perverse short-term influences on the retail prices index; and about the need to bargain for wages against the background of national and corporate circumstances in the world market place. Perhaps we are all on a slowish learning curve—but the lessons have begun."

Underlined

Mr. Biffen underlined that "we must be determined in our patience as we await the working of the Government's policy. There is a time-lag in economic affairs as public borrowing, monetary aggregates and recorded inflation interact."

He also criticised trade union leaders who used the retail prices index as if it were a living standards index, and based wage claims upon it.

"Last June the Chancellor decided to tax spending, but leave more in the pay packet. In no sense can such a policy legitimise increased wage claims purporting to protect living standards. Furthermore, there is no such thing as absolute protection in a world where international trade significantly influences levels of national activity and prosperity."

£45m North Sea gas handling plan

BY RAY DAFTER, ENERGY EDITOR

A GROUP of UK *and North* American oil companies is to spend about £45m on a unique gas handling system in the *North* Sea.

The consortium, led by U.S.-based Chevron *Petroleum*, plans to send surplus natural *gas* produced *from its* Ninian Field to the Scottish mainland *via* the Brent *pipeline system*.

When oil and gas production *from* Ninian begins to drop appreciably in the mid-1980s *Chevron* intends to "import" natural gas through the system so that it can continue to operate the field's power generation equipment.

The development, part of a drive to reduce the amount of gas wasted in the North Sea, should be completed later this year.

The scheme involves laying a gas pipeline between the central and northern production platforms on Ninian.

Gas which is not used as fuel on the northern platform will then be "exported" through another new pipeline which will join the Western Leg Gas Gathering system, based on the nearby Brent Field. The Ninian spur will join the Western Leg system between the Cormorant and Brent fields.

At peak production Ninian should have sufficient spare gas to send ashore about 30m cubic feet a day.

Ninian has limited gas reserves, and very little of the fuel is produced with crude oil, so Chevron and its partners will probably have to buy gas from other North Sea producers by 1984-85 in order to power the platform generators.

● British Petroleum has completed drilling a well on North Sea block 211/7a, immediately north of its Magnus Field, but is not giving details. The concession is surrounded by vacant areas which may be licensed in future rounds. The drilling rig, Sea Conquest, which sank the well, has been moved to block 3/8a, immediately south of the Ninian Field, held by a BP-led group.

Anger over Housing Bill

By Robin Pauley

TENANTS face the *threat* of homelessness and excessive *rents under proposals* for private lettings in the Housing Bill, according to the London Housing Aid Centre.

Mr. Nick Raynsford, director of the centre, said the Bill, which is being discussed in Parliament this week, "opens the door to a new era of Rachmanism."

Shorthold tenancies would enable landlords to evict tenants at the end of a fixed period of time. Landlords would be able to move tenants at will and charge excessive rents for many months before a firm rent was fixed, he said.

These measures, unlike the rest of the Bill, were being introduced without consultation.

"They are hasty, ill-conceived and biased against tenants," said Mr. Raynsford. The proposals included almost none of the safeguards which Tory MPs had said were necessary when they were in opposition.

"We fail to understand how the government can justify the ommission of these safeguards. The proposals are unbalanced and represent a major about-turn in policy. Only a year ago Tories were supporting safeguards," Mr. Raynsford said.

The main objection is the clause in the Bill which would allow landlords to let at fair rents for fixed terms between one and five years, with the right to regain possession at the end of the lease.

The centre claims there is nothing to prevent landlords *tricking existing* tenants into giving up their existing rights by *signing a shorthold agreement*.

Public sector steel problems 'will affect private companies soon'

BY ROY HODSON

THE PUBLIC steel sector's problems are expected to *spill* over into the private sector be*fore long*, according to an analysis* of the industry published today.

Inter Company Comparisons analysed the 60 leading private steelmakers in Britain. It suggests manning reductions will have to take place soon, following the British Steel Corporation strategy to slim its workforce from 152,000 to about 100,000.

The report forecasts that continuation of the steel strike will result in further reductions in British Steel manning. These will have an impact on the private sector.

Private sector profits margins have come under *strong* pressure from wages taking an increasingly high proportion of the value-added component. The *average* margin fell from 7.1 per cent to 5.2 between 1976 and 1979.

The private companies are more efficient than British Steel in sales per employee, assets utilisation, credits periods and stock turnover, but they suffer from the same basic pressures.

The most important are: continuing *low demand for steel* from British manufacturing in*dustry*; a *rising level of* steel-based imports; poor profit expectations, *and a general surplus* of steelmaking capacity.

The report warns that the longer the strike continues, the more imports will erode the domestic market. For some companies, the strike comes at a crucial time. Inter Company Comparisons names Hadfields of Sheffield as an example.

The companies at greatest risk are those which have been building up their asset bases fastest. The generally poor sales prospects mean asset utilisation for many of them has been falling.

Sheerness Steel on the Isle of Sheppey, Kent, where the 800 workers recently resisted attempts by pickets to persuade them to join the strike, pays the highest rates. Average pay in 1978-79 was £6,692, compared with British Steel's £4,821.

Sheerness Steel also had the highest sales per employee of any British steelworks in 1978-1979—£58,583, compared with British Steel's £17,305.

**Steel Producers: An Industry Sector Analysis. Inter Company Comparisons, 81 City Road, London EC1. £65.*

Fairey Holdings will make and market Italian robots

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

A NEW RANGE of robots will be made in Britain as a result of co-operation agreements between Fairey Holdings and six Italian companies.

Fairey Holdings, the engineering group, is owned by the National Enterprise Board.

The agreements are a big step forward for Fairey and Britain's robot industry, which is in its infancy.

Late last year, GEC-Marconi took over Hall Automation to develop its industrial robots potential. Unimation, the American manufacturer, announced recently that it will set up an assembly facility at Telford, Shropshire.

The Fairey agreements will give the company access to a wide range of robots and automated systems covering welding, spraying, assembly, press feeding and general handling for *machine-tools* and die-casting.

Mr. John Parsons, managing director of Fairey Engineering, said yesterday that the agreements "place Fairey in the forefront of automation technology in Britain with product ranges that cover every important field of industrial activity."

The first phase of the agreements covers marketing, and assembly of robots from Italian components. Eventually most of the robots will be made in Britain.

A new company will be formed for robot manufacture and sales. It is probable the robots will be made at Fairey Engineering's Stockport factory.

Joint research and development activities will be set up with the Italian companies. These, Fairey said, could result in new, more advanced products, or adaptation of existing models to meet market requirements.

Fairey Engineering has been looking for new products to manufacture. The Stockport factory, which employs 1,400, makes medium girder bridges, and engineering products for the nuclear industry. It needs to add another product range if it is to maintain employment at the present level.

Technical expertise in Fairey Engineering in areas such as manipulators, electronic controls and hydraulic actuators should stand it in good stead for the robots programme.

Agreements with the Italian companies, four signed in Milan last week at an international robots exhibition, will last for three to five years, with renewal options. The companies are expected to be named shortly.

Fairey Holdings is *the subject* of a £19.5m bid from Hambros *Bank*, lodged *two* and-a *half* weeks ago. The offer expires at the end of next week.

Porcelain fetches £172,310

SALEROOM

BY ANTONY THORNCROFT

CHINESE export porcelain is returning to fashion, judging by prices at a Christie's sale yesterday. A famille rose armorial part *dinner-service* of about 1800, with the crest and motto of Robertson, sold to Fernandez and Marche for £15,500. An example of about 1750, with the arms of Stockdale, made £12,500. Both prices were comfortably above forecast.

The sale of Chinese export porcelain totalled £172,310. Rare Art, the New York dealer, paid £3,000 for a pair of large famille verte figures of warrior immortals. Baars, another London dealer, acquired a pair of famille rose-yellow ground globular fish bowls for £2,600.

The Sotheby's glass sale totalled £54,695. A Dutch engraved Newcastle glass of about 1750, possibly by Simon Sang, sold for £1,600. A facon de Venise tazza of about 1700 made £1,400.

£100m goods 'stolen from lorries each year'

BY LYNTON McLAIN

GOODS worth £100m are stolen every year from lorries in Britain, the Road Haulage Association said yesterday when it launched a national campaign for tighter security for all lorry operations.

Lorry hi-jacking has decreased over the past five years, but thefts from lorries in depots, private premises and "secure" lorry parks have increased sharply.

One of the areas worst affected is London.

Mr. Jack Brown, the chairman of the association's security committee, said yesterday the haulage industry is now far more worried about "internal thefts" than thefts from lorries in the street.

These thefts from depots *accounted* for over *40* per cent of the total of almost £2m of goods lost from lorries in the Metropolitan Police area last year.

At over £806,000, they were almost four times greater than in 1978.

Four hijackings were reported last year, compared with five in 1978 and eight five years ago.

Mr. Brown said that the clothing and textile industries were the biggest target for thieves.

Thefts of high-value goods—*wine, spirits* and *tobacco—had* fallen in recent years, largely *because of better security.*

Illegal parking becomes dearer

ILLEGAL parking on Britain's roads will cost much more from today.

Owners of cars removed from a motorway will be charged £30 *(up from £24)*, from a London street £29 (£22) and from *streets elsewhere £27 (£20).*

Controls over food health claims urged

BY GARETH GRIFFITHS

A TIGHTENING of labelling laws and the introduction of labels specifying nutritional values on certain foods have been recommended by the Government's food standards committee.

Ministers have already ruled out major changes to the Food and *Drugs* Act, *however it is* likely the Government will press manufacturers to accept the recommendations voluntarily.

In its report published yesterday, the committee says it would end the use of brand names containing words such as "slim," "slender" or "weight watchers." Under the proposals brand names like "Slimline" will have to be changed.

On nutritional labelling, the report recommends providing detailed information on foods which claim to have certain qualities helping health or slimming.

Breakfast cereals, *margarines*, the wide *range of* health foods and bread would be covered, *but the committee* says there is no need for a widespread introduction of nutritional labelling for other foods.

The report suggests that a voluntary system of codes of practice should be agreed between manufacturers and the Local Authorities' Co-ordinating Body on Trading Standards (LACOTS).

There are strong indications that the Ministry of Agriculture will press manufacturers to agree to such codes. The Ministry believes that nutritional labelling of food is likely to increase over the next *few* years in line with U.S. practice.

Claims that foods are low in cholesterol or act as slimming aids should be avoided, says the report, and instead a statement of contents should be printed on the food package label.

It *points out that the* more people become concerned *about their health* and what they eat, the greater their susceptibility to the claims manufacturers make for their foods.

In future, the report argues, claims that foods containing polyunsaturated fatty acids are, in consequence, beneficial to health should be disallowed.

Similarly, slimming claims should only be allowed on the basis of reduced calorie intake.

The Ministry of Agriculture is concerned at the size of the slimming foods market. A third of UK adults are at any one time following some kind of diet.

Agriculture Ministry officials were last night stressing that the report's publication did not commit Ministers and that there will be a seven-month consultation period with manufacturers, local authorities and other interested groups.

The report is the second and final part of the committee's review of *food labelling* which was started in 1975.

Yesterday *there* was speculation that the Government had undermined a number of the committee's findings by its prior announcement that changes in the food and drugs laws were unlikely.

The report itself recommends amendments to the Act to enable the Agriculture Ministry to participate in drawing up codes of practice.

Food Standards Committee. Second Report on Claims and Misleading Descriptions. HMSO £4.00.

Finance for Industry seeks bank status

FINANCE for Industry, the medium- and long-term *lending* and investing institution, has applied to the Bank of England for recognition as a bank.

FFI has taken this step in order to guard against the possibility that it might have to pay more for deposits in the money market if it is not a recognised bank under the terms of the 1979 Banking Act.

It is controlled by the clearing banks, and the Bank of England is a shareholder.

Tory 'betrayal' on housing

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

HOUSE OWNERS have been "cynically betrayed" by the Conservative Government and now face a long period of high mortgage repayments, Mr. Roy Hattersley, Labour Environment spokesman, told the Commons last night.

He was moving an Opposition motion deploring the Government's housing policies on the grounds that they made it more expensive to buy or rent a home than at any time in the country's history.

But Mr. Michael Heseltine, Environment Secretary, in a spirited counter-attack, alleged that Mr. Hattersley and his colleagues had toured the country encouraging Labour local authorities to put up their rates. He said that in contrast with the restraint shown by Conservative authorities, the policy of Labour authorities this year had been "spend, spend and spend again."

Opening the debate, Mr. Hattersley put three question to the Government on mortgage rates.

He wanted to know if the Environment Secretary agreed that mortgage holders ought to brace themselves for a long period of high repayments. While the present international climate and domestic policies lasted, they should be prepared to pay at the present "uniquely high rate."

He also asked for Mr. Heseltine's comment on suggestions from the building societies that even if MLR fell there would not be a matching reduction in mortgage rates.

"The Secretary of State must have discussed that with the building societies," said Mr. Hattersley. "He has a duty to tell the House what these discussions revealed."

Mr. Hattersley also asked about the effect which the sale of council houses would have on the availability of mortgage funds. If a large number of council house tenants flooded the building societies, there could be only two possible consequences — fewer mortgage demands would be met or the societies would have to increase their interest rates yet again to attract more funds.

The Labour spokesman said that the financial allotment for new council house building which had been announced by the Government in February meant a big reduction in the money available.

"It is a matter of wilfully reducing the number of council houses that are built and completed," he said.

Mr. Hattersley also blamed the Conservative Government for local authority rent increases.

"It is no more than a hidden tax on council tenants," he declared. "It demonstrates the deep distain which the Tory party has always felt towards council house tenants."

Replying for the Government,

HESELTINE: counter-attack

Mr. Heseltine said that high interest rates were welcome to no one. But they resulted from the Government's determination to control money supply, from the level of Government borrowing and from the rise in the world price of money.

He pointed out world-wide increases in interest rates, in particular the fact that the U.S. prime rate was now approaching 18 per cent.

"We simply cannot, in Britain, ignore these trends," Mr. Heseltine commented. It served no purpose to suggest that Britain could isolate itself. Our money markets were world markets.

"Interest rates will fall only as our policies succeed in reducing the demand for money and credit and the upward pressure on prices abates," he said. "There is no halfway house."

On the question of this year's rate increases, he said that Mr. Hattersley and his colleagues had embarked on a "deliberate campaign to encourage local authorities actually to spend more."

He was astonished at the "affrontary" of Mr. Hattersley in putting down the motion criticising the Government at a time when the Labour Party was "begging and imploring" Labour local authorities to put up rates.

Mr. Heseltine warned that to ignore economic reality would lead to a decline which could become irreversible. It made no sense to debate housing outside the economic context.

But the policies of increased public expenditure advocated by Mr. Hattersley would hit even harder the group which the Labour party pretended to care for.

Mr. Heseltine strongly criticised the previous Labour Government for failing to ensure that council rents kept pace with the rise in earnings.

Norfolk 'confident' on school transport

By Elinor Goodman, Lobby Staff

THE DUKE of Norfolk, organiser of the Conservative opposition in the Lords to the Government's plans for charging for school transport, was yesterday told by Conservative MPs who sympathise with his aim that the best way to achieve it would be to try to amend the Government's proposals rather than delete them from the Education Bill altogether.

Lord Norfolk gave the MPs the strong impression, however, that he was determined to get the clause deleted in its entirety and that he was confident he could get the majority in the Lords to do this.

The Lords began a week of sittings on the Education Bill yesterday. The controversial clause enabling local authorities to charge for school transport is likely to be reached tomorrow or Thursday.

Lord Norfolk, the leading Catholic peer in the country, had a private meeting yesterday with some of the 16 MPs who voted against the transport clause when it was debated in the Commons.

They told him that if the Bill was sent back to the House of Commons with the transport clause deleted altogether, the Commons would probably insist that it was reinstated. This would start a prolonged game of ping-pong which could jeopardise the Government's chances of getting the Bill onto the statute book by the beginning of the financial year, but which would almost certainly end up with the Government getting its way on transport charges.

If on the other hand, the MPs argued, the Lords were to carry a series of wrecking amendments which would mean that very few parents would actually have to pay the fee, then they might be able to persuade some of their Tory colleagues to join them in backing the amendments in the Commons, so ensuring that they became law.

Under pressure from both peers and MPs concerned about the implications of transport charges for families in rural areas, the Government has already modified its original proposals twice. But Lord Norfolk was apparently confident yesterday that he had the support of many other Conservative peers, as well as some of the Anglican bishops, in believing that the clause should be scrapped altogether.

All-party energy group launched

By Ray Dafter, Energy Editor

A GROUP of MPs and peers has successfully launched an all-party group for energy studies.

The new organisation is already being extended to include associate members from energy companies and trade unions.

A group of 25 members from both houses of Parliament which met recently decided that the associate membership should be balanced to reflect the interests of such sectors as nationalised industries, construction companies, equipment manufacturers, geophysical surveying and consultancy organisations.

In particular the group wants to balance the interests of the oil, coal, gas and nuclear industries.

The all-party group has been formed to encourage a continuity of policy in the energy field. It is claimed that such continuity is vital to an industry with long lead times.

The executive committee comprises: chairman: Mr. David Crouch (Con., Canterbury); vice-chairmen: the Earl of Lauderdale, Lord Lloyd of Kilgerran, and Dr. Dickson Mabon (Lab., Greenock and Port Glasgow); treasurer: Lord Ironside; secretaries: Mr. William Garrett (Lab., Wallsend), Mr. David Lambie (Lab., Central Ayrshire), Mr. Peter Emery (Con., Honiton), and Mr. Arthur Palmer (Lab., Bristol North-East).

Howell firm on cash limits for electricity

BY IVOR OWEN

A RELAXATION of the cash limits set for the nationalised electricity industry was ruled out by Mr. David Howell, the Energy Secretary, in the Commons yesterday.

He was closely questioned from both sides of the House about the implications of the fall in electricity consumption for the planned expansion of the nuclear power industry.

Mr. Howell, who insisted that the fall in revenue arising from the decline in the sale of electricity did not provide an automatic justification for an increase in prices, confirmed that both the capital and current programmes of the electricity industry were being reviewed.

The size of the nuclear power component in the industry's overall generating capacity must stand on its own merits, he said.

In the meantime the industry had to meet its financial targets and keep within its cash limits.

Dr. David Owen, Labour's shadow Energy Minister, accused Mr. Howell of inconsistency.

He contended that on the one hand the Minister was saying the fall in the sale of electricity did not justify higher prices and indicating that he wanted to see the orders for the two British design AGR nuclear stations go ahead and the nuclear industry given confidence, and on the other hand insisting cash limits must be maintained.

What you need to do is to relax the cash limits within which the electricity boards are currently operating, Dr. Owen stated.

Refusing to accept this view, Mr. Howell stressed that increased costs should not be automatically passed on in higher prices.

"There must be a vigorous search for economies to meet some of the rises in costs," he insisted.

Mr. Howell told Mr. Peter Rost (Con., Derbyshire South East) that the Government remained fully committed to the nuclear programme—envisaging the ordering of 10 nuclear power stations over the next 10 years — outlined just before Christmas.

During further exchanges, Mr. Anthony Wedgwood Benn, the former Labour Energy Secretary, gave a new warning that the Government was in danger of losing public confidence in its nuclear energy proposals.

He said this was because the Government had opted for the American PWR system which was widely regarded as being inherently unsafe from a design point of view.

He claimed that Sir Alan Cottrel, a former Chief scientist, had pointed to serious defects in the PWR used in France.

Mr. Benn said the Nuclear Installations Inspectorate had made it clear to the Labour Government that the Westinghouse PWR would not be acceptable and that major modifications would be required.

Mr. Norman Lamont, Under-Secretary for Energy, retorted that if there was any danger of a loss of confidence, the position would not be helped by Mr. Benn.

"You have tried to stir up public opinion and give rise to groundless fears," he said.

Mr. Lamont asserted that Mr. Benn knew that after the Three Mile Island incident in the U.S. the NII had stated that there was no reason why the PWR should not be designed to satisfy the most stringent security requirements.

Little hope on block grant scheme change

BY ROBIN PAULEY

LOCAL AUTHORITIES appear to have lost their battle to persuade the Government to change one of the most controversial aspects of the Local Government Planning and Land Bill.

Mr. Tom King, Local Government Minister, is expected to announce that the local authorities' alternative proposals to the Government's plan to replace the present system of rate support grant with a block grant system do not fulfil all the necessary requirements when the committee stage resumes in the Commons today.

Mr. King and Mr. Michael Heseltine, Environment Secretary, were meeting Tory backbench MPs last night to explain the position. Many MPs had delayed tabling amendments to the financial clauses of the Bill until the outcome of the local authorities' submissions were known.

Opposition MPs led by Mr. Roy Hattersley are likely to protest noisily in committee about the rejection of the alternative proposals put together by the associations, all of which are Tory-led. He has previously threatened the withdrawal of Opposition co-operation on the Bill unless a statement on the grant proposals is made.

The first clause due to be considered today concerns general powers to reduce rate support grant and it would be very difficult for Mr. King to avoid declaring the Government's position at this stage.

He has promised to make public his reasons for not accepting the local authority proposals if they are rejected. One reason is likely to be that they do not give government the necessary power to penalise authorities which wilfully overspend.

The authorities have claimed that their plan meets the principal government objective of preventing high spending authorities from automatically getting a bigger slice of the grant cake at the expense of authorities which contain their spending to lower levels.

Both Mr. Heseltine and Mr. King hinted at the Tory local government conference at the weekend that the local authorities' plan might fail. Mr. King said he was not optimistic about it and Mr. Heseltine said he had seen nothing so far to convince him that there was an alternative to the Bill's proposals.

Proposal to sell shares in BNOC

By Ivor Owen

AN EARLY announcement of Government proposals for allowing private capital to buy a stake in the British National Oil Corporation was promised by Mr. David Howell, the Energy Secretary, in the Commons yesterday.

He told Labour critics who maintained that it would be wrong to allow any portion of such a valuable national asset to pass into private hands that it was difficult to defend 100 per cent public ownership.

Mr. Howell stressed that it was Government policy to keep the necessary access to oil provided by BNOC's trading operations, and confirmed that this entailed retaining the Corporation's participation options.

He told Dr. David Owen, Labour Shadow Energy Minister, "the important thing for the 1980s is to ensure that we have healthy enterprise in the North Sea and good security of supply."

Mr. Anthony Wedgwood Benn, the former Labour Energy Secretary, maintained that as North Sea oil could now be sold at a price roughly equivalent to five times the cost of production, the case for 100 per cent public ownership was stronger than ever.

Mr. Hamish Gray, Minister of State for Energy, replied: "You have always had difficulty in separating state ownership from British ownership—the two are not necessarily the same."

Welsh unemployment 'could reach 125,000'

BY ROBIN REEVES, WELSH CORRESPONDENT

WELSH unemployment could soar to 125,000 or 13.7 per cent by next year as a result of the steel and coal rundown, Sir Hywel Evans, Permanent Secretary at the Welsh Office, predicted in Cardiff yesterday.

Addressing the first full session of the Commons Select Committee on Welsh affairs, he said there were valid arguments for forecasting job loss figures varying from 30,000 to as high as 50,000, as a result of the planned cutbacks in the Welsh steel industry and the ripple effects on coal and other industries.

But the estimate of the Welsh office senior economists, he admitted when pressed, was that an unemployment level by next year of 125,000—13.7 per cent—was "well within the bounds of possibility."

This is a rise of some 33,000 on the current jobless level of 92,075 or 8.4 per cent. Around 20,000 of the job losses would occur in the steel industry, but he could not give precise figures for coal.

The select committee's 11 members—who have made the role of the Welsh Office in developing employment opportunities in Wales their first task—were particularly concerned that the Government's special aid of £48m over the next two years for industrial estate and advanced factory building by the Welsh Development Agency in crisis areas, might be inadequate.

Demos and the police: council view

By Lisa Wood

SENIOR POLICE officers should not have sole discretion to ban marches and demonstrations, the Association of District Councils said yesterday.

The association was expressing its views to the Parliamentary Select Committee on Home Affairs which is reviewing the Public Order Act and related legislation.

It said that the right to restrict the freedom to organise a public march should be vested in a democratically elected body or a person such as the Home Secretary. If disagreement arises between the police and a local authority over the staging of a march, there should be "arbitration" with the Home Secretary acting as referee, said the association.

Clegg Commission seeks more long-term work

BY PHILIP BASSETT, LABOUR STAFF

PROFESSOR HUGH CLEGG, chairman of the Government's standing commission on pay comparability, said yesterday that the Commission would not welcome any more references of the type with which it has been dealing.

It would prefer, instead, more longer-term work.

Prof. Clegg said there had been no indications from the Government regarding the Commission's future once it has completed its dozen references outstanding. But he said he would like to see the present number of references reduced.

He would like the Commission to take the form of the Civil Service Pay Research Unit and examine references annually.

The Government, however, is keeping the Commission's whole operation under review. In the light of difficulties it is experiencing this year over Civil Service pay, based on annual comparability, it seems unlikely Prof. Clegg's suggestion will be taken up by Ministers.

Prof. Clegg was launching the Commission's two latest reports. These cover 37,000 supplementary professional medical staff and some 830 white-collar waterways staff.

The reports respectively award average increases of 15.4 per cent (costing £19.6m) and a two-stage increase of 5 per cent (costing an estimated £270,000).

Health Service union officials were hostile to the Commission's award to supplementary staff.

They warned that the response of the union side, which meets management on Thursday to discuss the award, would be to seek quickly a substantial pay increase for this year to try to make up ground.

Both sides are committed to accepting the award.

Mr. Steve Johnson, staff side secretary, called the award an "unmitigated disaster." He said the staff had been "betrayed" by agreeing to a reference to the Commission.

Mr. Roger Poole, of the National Union of Public Employees, said it would be the last time his union would agree to such a reference. The report showed there was no substitute for direct action by the unions.

The unions were particularly critical of one of the report's recommendations. This stated that despite the range of hours worked by the group, from 33 hours to 38 hours, the full award would be paid on the basis of a 37½-hour week.

Staff who enjoyed a shorter week could retain it but their salary would be proportionately reduced. Prof. Clegg said that in a small number of cases this could mean that some staff would find their pay reduced by the award.

Because of an interim pay increase in September, some of the award levels are lower, too, than present pay rates. In those cases the staff would retain their existing salaries until they are overtaken by further increases or increments.

This freeze would not apply, though, to staff affected by the shorter hours provision.

The Commission found that teaching grades enjoyed pay levels well above external comparators, in some cases by as much as 16.9 per cent. They would still receive increases averaging 10-12.2 per cent, however, to maintain recruitment.

The overall increases, which range from 10 to 17.3 per cent, and which will add 14.2 per cent to the overall pay bill, take basic grade staff at the maximum from £3,082 to £3,800.

A grade one superintendent physiotherapist, for example, will rise at the maximum from £7,596 to £8,300. A similar radiographer will rise from £7,881 to £8,600. A grade two senior would rise from £4,651 to £5,300 and a radiographer teacher from £5,634 to £7,134.

The Commission sharply criticised the lack of a common approach to pay in the NHS. Its absence arose partly because of different pay methods but more because of the lack of co-ordination or common policy between different management sides negotiating for different groups.

The Commission also reported on white-collar staff employed by the British Waterways Board, who took industrial action before their pay was referred to Clegg.

The waterways report includes the highest awards made so far by the Commission. The pay of a development amenity director will rise from £11,974 to £16,000, an increase of 33.6 per cent. Other senior staff receive 20.22-31.3 per cent, though numbers involved are small and comparisons were difficult.

The comparisons indicated an average increase of 14.6 per cent. But because of two cumulative increases before last September, totalling 11.3 per cent, that average increase should be reduced to 3.3 per cent.

Improvements to take into account factors such as cheap mortgages raised it to about 5 per cent.

Grade one clerical staff at the maximum will rise from £3,594 to £3,755 and grade one professional and technology staff from £3,920 to £4,096.

Building workers warn of strikes

THE Transport and General Workers' Union warned yesterday that a series of one-day strikes in the construction industry would be called unless employers significantly improved their pay offer.

Negotiations on the employers' proposals, involving a 14 per cent increase on minimum earnings, partly linked to productivity clauses, are due to resume on Thursday.

Employers are almost certainly prepared to make some improvements on that offer, but their willingness will be affected by the unions' response to the productivity elements.

These centre mainly on an attempt to reduce absenteeism by tightening qualifications for holiday pay entitlement.

Mr. George Henderson, the Transport Workers' national construction secretary, said his members viewed these as penalty clauses. They were also concerned that the offer was below the rate of inflation.

This is broadly in line with the decision of the Union of Construction, Allied Trades and Technicians' executive to reject the offer. It also criticised the employers' productivity demands.

Mr. Henderson said: "If they don't come up with anything else we're in for a difficult time. There's every likelihood that there will be strikes."

The Transport and General Workers' Union says it has been promised full consolidation of pay supplements by the Federation of Master Builders, with whom the union will negotiate over pay later this month.

● The Transport Workers' Union has replied to the Government's consultative document on the construction industry's tax deduction scheme, saying the Government's proposals would lead to an increase in the "lump."

TUC talks on Isle of Grain

BY NICK GARNETT, LABOUR STAFF

THE dispute affecting the future of the Isle of Grain power station is likely to be discussed at a meeting of the TUC's finance and general purposes committee later this month.

The dispute initially involved 27 laggers of the General and Municipal Workers' Union over the issue of bonus payments.

The decision to discuss the dispute among senior TUC members is a reflection of the growing concern within the TUC and other construction unions.

Work on two of the units at what would be Europe's biggest oil-powered power station has already been stopped and the Central Electricity Generating Board has given the unions a deadline to end the dispute if work is to continue on two other units.

A total of 1,600 manual workers would lose their jobs if the unfinished parts of the power station are abandoned.

In another development, the General and Municipal yesterday wrote to the TUC asking it to try and convene a meeting of all construction unions working on the power station, along with TUC officials and those of the CEGB.

Mr. Len Murray, TUC general secretary, was present at a meeting of the Isle of Grain unions last week to discuss the dispute.

As a result of that meeting, union officials met employer representatives from the thermal insulation industry. A proposal to put the dispute through a disputes committee of the industry's joint industrial council was turned down by the employers.

Car import figures 'deplorable'

A UNION leader yesterday submitted an emergency resolution to Labour's ruling National Executive calling for urgent action about last month's "deplorable" car import figures.

Mr. Doug Hoyle, president of the Association of Scientific, Technical and Managerial Staffs, urges controls on car imports and a minimum percentage of British components—he suggests 40 per cent—in any imported vehicle.

Figures show importers had 57.5 per cent of sales, more than 5 per cent up on February last year.

Mr. Hoyle, a member of the Executive, said: "It appears that the 'Buy British' campaign by BL has had only a cosmetic effect."

The Executive may debate his resolution on March 26.

● SHIRTS ROW: The clothing workers' union said yesterday that the decision to issue House of Commons bar staff with shirts made in Hong Kong was a "momentous blunder."

Mr. Alec Smith, general secretary of the 117,000-strong National Union of Tailors and Garment Workers, said: "Our 1,100 members who have lost their jobs in the shirt sector over the last couple of months and the 700 currently on short-time working are unlikely to find much comfort in this unfortunate action."

● JOBS GUARANTEE: Norwich Union said yesterday that it had offered to guarantee the jobs and salaries of permanent staff against changes brought about by new technology involving word processors, computing equipment with associated data storage, and linked visual terminals.

The Association of Scientific Technical and Managerial Staffs is to recommend acceptance of the proposal to its members.

Mood of growing militancy

Pauline Clark looks at the agenda for the TUC Women's Conference

A SHARP attack on Government proposals to change the employment law will mark the fiftieth anniversary this year of the TUC Women's Conference.

All the signs are that the conference will show greater militancy on behalf of working women than it has done for many years.

The agenda is dominated by motions expressing anger at what trade unionists see as a major threat to women's rights in the Conservative Government's policies.

The call by nine leading trade unions for the Employment Bill to be axed and for an end to the "concerted attack by the Government on women's rights to work" will be heard by some 260 delegates when the conference opens in Brighton on Thursday.

Women trade unionists from all over the country are meanwhile expected to join a Women's TUC rally in Brighton tomorrow to underline plans for a stepped-up campaign against Government threats to working women.

In a detailed composite motion arguing against a range of provisions contained in the Government's new bill, unions warn that the changes will lead "to a serious decline in the hard-won rights of women employees."

The motion, to be proposed by the National Association of Teachers in Further and Higher Education, says that the changes, combined with the Government's expenditure policy, will cause a fall in employment opportunities for women and a decrease in the "limited" child care provision which now exists.

In particular, it criticises the unfair dismissal proposals which it says will shift the burden of proof away from the employer "so as to render its provisions as ineffective for the employee as those of the Sex Discrimination Act."

It also roundly condemns all the new proposals relating to maternity leave and the right to return to the same job after pregnancy. All of these measures, it says, represent a retrograde step on the road to equality.

The National Union of Public Employees will lead a debate on public expenditure cuts which are seen as a further attack on women workers' rights.

The conference will be warned of the prospects of mass unemployment of women as a result of the cuts, and the increasing difficulties working women will face from cutbacks in school meals, child care facilities, hospitals, services for old people and other public services.

The motion on expenditure cuts says the attack is helping those who want to force women out of the labour market. It urges the TUC Campaign for Economic and Social Advance to highlight the special problems of women.

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

What Western managers can learn from Japan's quest for quality

Christopher Lorenz on some harsh and highly revealing self-criticism by Xerox's Japanese subsidiary

YOTARO KOBAYASHI makes no bones about it. "We were wrong." The reasons his company was suffering at the hands of an upstart competitor were not to be found on the shop floor but "with us, the management. We had been uncomfortably asleep, blindly proud of our technological superiority, and shamefully arrogant about someone else's capabilities."

Such public self-criticism from a top manager is rare indeed. When it comes from someone with as much international experience as the president of Fuji-Xerox, the Japanese offshoot of the powerful Xerox copier combine, it offers not only an unusual glimpse into the inner workings of Japanese management, but also something practical that the rest of us can profitably borrow.

When Western businessmen are asked why Japanese industry has been able to increase its productivity far more rapidly than their own countries, most of them point vaguely to the enigma of "Japan Incorporated," and especially to the unusual docility (or "co-operativeness," to use a blander term) of the country's labour force.

The term "Japan Inc." is generally taken as shorthand for Japan's extraordinary advantage of cohesion on every front: between society as a whole, the banks and industry in particular, and—at the level of the company—the principle of payment and power on the basis of age, and the practice of decision-making by deep-rooted consensus.

It is only occasionally that Western observers — and competitors—remember the obvious fact that there are various actors on the Japanese industrial stage who behave in anything but a preordained fashion, and that there may be something profitable for the West to learn from this. After all, modern Japanese management practice is an amalgam of Japan's own particular strengths — and the best practice of Western (especially American) companies.

Why should Europeans, for example, not now attempt the same process in reverse, by importing some of Japan's less "inscrutable" management practices.

Something of the sort is already under way, particularly in Sweden and Britain, as well as the U.S., with the increasing adoption on the shop floor of the Japanese concept of "quality control circles" consisting of small teams of workers. Since we reported this trend last summer (August 24, 1979), two packed conferences on QC Circles have been held in London, an international congress is planned for September* and several European companies have started experiments with the approach.

Speaking before 500 top executives from all over Europe, at the annual Davos symposium of the European Management Forum, Mr. Kobayashi explained how the QC circle approach had spread upwards through the structure of Japanese companies, and had broadened to encompass many of their activities through the concept of total or "company-wide quality control."

Yotaro Kobayashi: 'After an initial period of shock, hurt pride and shatterd arrogance, came a cold realisation that unless we did better, and very quickly, . . . we would nearly cease to exist. . .'

Questions

He also enumerated some of the basic principles upon which many successful large technology-based companies are run in Japan — many of them perfectly capable of being emulated in the West if only top management has the vision and the determination.

Referring to the period of painful self-discovery undergone by Fuji-Xerox managers about five years ago after Ricoh—a smaller Japanese manufacturer—had suddenly eclipsed a prime Xerox product with a better and cheaper one, Kobayashi said it was easy to criticise one's workforce for lack of co-operation or effort. But the management should start by asking itself a series of questions:

When considering an investment, are we not too eager to harvest profits in a short span of time?

Are we not, therefore, often too timid in taking investment risks?

Do we not often tend to ride along with high profitability on highly depreciated, and often near-obsolete equipment, instead of continuously investing for the long term?

Are we ourselves in regular contact with the market place, customers and competition in particular, instead of relying solely on the computer-based analysis systems, and staff assessment and recommendations based on such analyses?

Are we being truly aggressive enough in determining what customers really want, in terms of the quality, economics and timetable of new products or services?

As Kobayashi said, the list of such questions was almost endless. The key point was that the quality of a company's workforce was very much influenced by its management's attitudes.

This was reflected in the way Fuji-Xerox responded to the threat posed by Ricoh. "After an initial period of shock, hurt pride and shattered arrogance, came a cold realisation that unless we did better, and very quickly at that, we would nearly cease to exist in the market place."

A wholesale management review of the company's cost structure quickly followed, together with the setting of tough new targets for the quality, cost and delivery of new products. No so-called trade-offs ("easy compromises") were allowed in these key ingredients, claimed Kobayashi.

The net result, he said, was the rapid development and introduction of a new product which surpassed "all the so-called accepted standards of quality, cost and delivery," not only for Fuji-Xerox itself, but for the entire worldwide Xerox organisation. The product—with the decidedly mundane model number 3500—has been a "smash success" in the market-place, claimed Kobayashi.

More important, he said, the experience had helped institute in the minds of both management and workforce a belief that the only way to keep "proud and confident," instead of "proud and arrogant" was consistently to try harder, forcing themselves on in the continuing pursuit of a higher degree of excellence, in both quality and cost.

How could such good intentions be translated into practice? In order to avoid the danger of "top-down" directives, and resentment from both middle management and workforce, Kobayashi said these intentions must be supplemented by the systematic organisation of objectives and functions. This involved at least three elements:

1. The regular provision to the workforce of accurate information about the company's current situation.

2. Close co-operation with lower levels of management in the development of what might be called "objectives trees." These should show: the logical relationships between management objectives at different levels; the relationship between different functions (such as sales and planning, or engineering and manufacturing); priorities among multiple objectives; and the scale by which to measure relative success or failure in the achievement of these objectives.

3—The workforce should be organised into small groups, of between 5-8 people, and encouraged voluntarily to select and tackle an area of their work that could be improved. Allied to this must be the "aggressive use" of shop floor suggestion schemes.

These lines of approach should be flanked by the maintenance of close contact with the market place at all levels of the company, said Kobayashi, together with the rotation of key personnel through different types of job.

It is the principle of small self-improvement groups which forms the basis of the shop floor Quality Control Circle—an approach now being tried in companies as diverse as Lockheed, Rolls-Royce, BL and Eurotherm, the highly successful instruments manufacturer.

As described by Kobayashi the much broader concept of total quality control—somewhat similar to the Anglo-Saxon "quality assurance" approach—stresses the importance of four associated elements:

1—A clear-cut and properly ordered set of management objectives, which will then be developed further down the organisation in the form of a network or "tree";

2—Regular reviews at all levels on the progress of such objectives, with particular emphasis upon the pursuit of "whys" and "why nots";

3—The concerted effort of the different functions towards higher quality, not only of the products for services offered in the market place, but of all the company activities;

4—Facts as the sole basis of company decisions at all levels.

Whether or not this is an idealised picture, it may be asking too much of human nature—in the West, at any rate. But in Japan, Kobayashi claimed that a host of top names practise this approach as demonstrated by the high quality, cost effectiveness and punctual delivery of their products, together with their strong financial performance and growing presence in worldwide markets.

*Organiser: Executant, 29, Octagon Parade, High Wycombe, Bucks. Tel.: 0494 33171.

Industrial democracy: Brussels grinds towards a compromise

BY JOHN ELLIOTT

INDUSTRIAL DEMOCRACY is a subject one seldom hears about in the UK, now that labour laws and trade union confrontation with Government have replaced Labour's social contract and the Bullock Report's ideas on worker directors as major political issues.

But moves are still being made by the European Commission and Parliament concerning the relationship of employees with boards of directors, on the disclosure of information by multinational companies, and also about profit sharing.

These developments are still a long way from being turned into compulsory legislation; but they will have some influence on attitudes in the UK, where the current stimulus for some modest innovations in employee participation is coming not from trade unions but from the "doves" in the Government and from the CBI.

The most well known of the three EEC developments is the proposed Fifth Directive on company law, which includes the plan for worker-directors. It owes its genesis not to any great concern in Brussels about employee rights or trade union power, but to a belief that company law should be harmonised throughout the Community so that companies could trade across frontiers on equal terms.

Originally the fifth directive (first produced in 1972 and amended in a 1975 Green Paper) contained rigid German-style plans for a two-tier company structure with worker directors taking at least one-third of the seats on the top supervisory tier.

Opposition from other countries with different labour and company law traditions led to the proposals being softened and long transitional periods were promised. Then the issue became stuck in the European Parliament, whose legal committee of newly elected MPs has recently been mounting considerable opposition, led by the Conservatives' political grouping.

Now the European Parliament is finalising its views. When it has done so they will be presented to the European Commission and will unlock the door to a series of events which could eventually lead to the emergence of a directive.

The fact that the Parliament may oppose the ideas will not stop this process, even though it might affect the content of any policy.

The plan that now seems most likely to emerge will be highly flexible in both content and timing and will be quite different from the original 1972 proposals, even though the eventual aim may still be to give workers a greater say in company decision making. There is likely to be an option for a company to adopt either a one or two-tier board structure, plus a further option for the workers' representatives to be housed either on the board itself or in a separate advisory body which would have direct links with the board room.

In as far as the European Commission has a unified view, it still wants ultimately to aim for the workers to be housed in the boardroom. It would therefore regard the option of the separate advisory body as only a transitionary measure.

The European Parliament and some EEC countries, including the UK's present Government would, however, oppose compulsory board membership in favour of the advisory body because it would involve workers' representatives only in a consultative process and not in decision-making.

There would of course be plenty of other arguments, such as whether the proposals should be mandatory or whether they should only be adopted if wanted by both management and workers in a company. The issue of whether all employees or just union members should be involved would also be contested.

Pressure

But whatever emerges is unlikely to have a direct impact on companies until the end of this decade. Even if a directive were to be confirmed within two or three years, which is far from certain, a transitional period would be allowed before there was any compulsion. Some EEC lawyers think this period might last for five to seven years. The earliest that a directive might then come into force would be 1987, and it could be considerably later.

Meanwhile the two EEC Commissioners responsible for this directive are now involved in another exercise. Here Mr. Hank Vredeling, the Left-wing Social Affairs Commissioner, has taken the lead over Viscount Davignon, the Industry Commissioner. He is proposing that the EEC should launch an initiative to increase the information given by multinational companies to their trade unions, and to lay down some requirements for consultation on major issues such as mergers.

This would apply both to EEC-based multinational companies and to concerns from the rest of the world which have two (or possibly only one) subsidiaries within the EEC.

Mr. Vredeling's aides say there has been pressure for such an initiative from trade unions. Some forward looking companies which already disclose a substantial amount of information about their plans and results, think it is unfair that their EEC competitors should not be forced to do so as well, and have also backed the idea.

On the other hand, Viscount Davignon's staff are thought to take an opposite view. They believe that EEC-based multinationals should not be put at a disadvantage with competitors in the rest of the world which, despite initiatives along the same lines from the OECD and the International Labour Organisation, are not forced to disclose information to trade unions, or consult with them.

A working paper on the subject may be presented to the Commission in the next few months. Its future is not clear, however, partly because the Commissioners come to the end of their term of office at the end of this year, and partly because it has yet to be decided whether the ultimate target would be a directive, or merely a recommendation.

The third initiative, which is even more tentative, is a discussion document produced by the Commission on profit sharing schemes. Called a memorandum on "Employee participation in asset formation," the document discusses current practice in the EEC and suggests a series of guidelines aimed at "reinforcing the social aspect of incentives to individual savings."

Among these guidelines is a proposal that profit sharing savings should be frozen for five years. This time limit already exists in the UK for those schemes which receive tax concessions, but the Confederation of British Industry and other organisations have been pressing the Government to shorten the period in the coming Budget. Another guideline says the provisions should contain income ceilings to weight the benefit towards the lower paid, a concept which has not been accepted so far in the UK.

Profit sharing is in fact the aspect of employee participation in which the British Government is most interested, and some improvements are expected in this month's Budget to the tax concessions which were introduced by the last Government as part of the Lib-Lab pact.

Although the UK Government has no immediate plans for legislation on other aspects of employee participation, it is concerned about the lack of communication and consultation in companies. Along with CBI leaders, James Prior, the Employment Secretary, has been openly critical of the waywardness of some companies, and has warned that the Government might eventually be forced to legislate to generate action. If it did do so, it would probably only produce a code of practice on what companies should do.

Mr. Prior himself is personally interested in going further and has even talked about enfranchising the right of employees to have a say in the future of a company. "I badly want to see some reasonable enfranchisement of employees. It is not right that an employee of long service should have no rights at all," he told a CBI conference last autumn, stressing he was only airing his personal views.

There is therefore less of an emphasis than union's like on actually increasing the power or influence of workers over company decisions. But Sir John Methven, the CBI's director general, who was for a short time a member of the Bullock Committee on industrial democracy, believes he has a duty to try to persuade his members to increase employee consultation because, he says, it is the right thing for companies to do.

But he often sells the idea by warning, like Mr. Prior, that legislation will follow at some time or other, perhaps induced by the EEC, if companies do not do enough voluntarily.

MANAGEMENT TEACHING FELLOWSHIPS FOR INDUSTRIALISTS

If the opportunities and resources were available, some experienced and very senior industrial managers and businessmen might like to make a contribution to research and teaching at a university management school, leading to an academic career. Such a change of direction would probably require up to a year of pedagogical and research training, during which a measure of financial support would be necessary.

The Foundation for Management Education (FME) is prepared to make available a maximum of four Fellowships, of £12,000 each, for candidates who come forward during the next twelve months. The current total remuneration of a successful candidate would be in the region of £20,000/£25,000 and he or she would be in the age bracket 35/55.

At the time of application a candidate would be invited to submit a brief outline of the research project on which he or she would be occupied during the transfer period, in one of the following four areas—production, marketing, finance or industrial relations. Recipients of the Fellowship would, if required, be helped by FME to find a place at a university management school.

Applications, with curriculum vitae, research proposal, and reasons for wishing to take such an initiative, should be sent to the Director of FME at Management House, Parker Street, London WC2B 5PT.


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On the motorway, the 604 D-turbo offers you cruising speeds you would expect from a luxury saloon in this class, quietly, comfortably. And on the Continent high speed autobahn motoring is smooth and effortless.
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The 604 D-turbo boasts an extremely high level of standard features, push-button electrically-operated sunroof and windows, all-round tinted glass, centralised pneumatic locking (which even closes the windows and sunroof automatically), responsive power assisted steering, 5-speed gearbox, thick plush-pile carpet and rich velour upholstery.
The Peugeot 604 D-turbo combines luxury performance and style with a standard of economy never before witnessed in a luxury car. Why not contact one of the 274 nationwide Peugeot dealers to arrange a test drive.
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*D-turbo Fuel Consumption
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PEUGEOT
World famous for strength.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● MACHINE TOOLS

Cutting with very low distortion

LASER cutting equipment able to follow instructions, just as a computer numerically controlled machine tool would, is in operation at Lasercut Products of Bishop's Stortford.

Supplied by Coherent (UK), the "moving optics" innovation allows a roving cutting head to follow any outline whose co-ordinates have been captured in the controller's memory.

Lasercut Metals' plant includes a Coherent Everlase 325 (a 550 Watt output carbon dioxide laaer), and a linked computer-controlled XY table with a 2m x 1.6m cutting area. The XY table can copy at a linear travelling speed of up to 15 metres per minute.

The high-precision beam can be aimed within less than a thou, and offers a machining process which is able to cut complex shapes quickly, accurately and practically distortion free.

The company is also cutting a whole series of other materials by laser—rubber, hardboard, cloth and acrylic perspex—all to intricate shapes that have to be accurate and have a good finish.

But it is in handling stainless ateel that the company claims results far better than with any alternative method, and at relatively low cost. This is despite the fact that stainless is generally recognised as a material which is particularly bard to cut accurately and cleanly and without deforming.

Coherent (UK), Cambridga Science Park, Milton Road, Cambridge CB4 4BH 0223 68501.

Small batch costs less

CENTRE LATHE equipment running under computer numerical control, designed and manufactured by Hermann Traub GmbH has automatic tool calculation (ATC) to speed the setting-up time for small batch production. Presetting is totally eliminated, with tools being clamped at random into any of the six turret tool bolders. Tool poaltions are automatically memory-frozen with respect to each other and the machine datums through the Traub TX7 advanced control system, making its use for small batches extremely economical.

TND 320/800 designates the new slant bed, CNC turret-type chucking (220mm dia), sbaft (800 mm long) and bar (42 mm dia) lathe which may be operated manually by punched tape or DNC data input. The numerical control unit is slted above the tallstock, in a bouslng which may be swivelled for ease of use. Programming may be made directly into the control unit from the workpiece drawing, with sub-routine for a wide range of popular geometry being called up by using the function keys. An optional VDU, mounted above the control unit, displays the routine sequence, guiding the operator through the cycle by question and answer dialogue. The TX7 unit also displays the operator guidance pattern. Plausibility checks and input constraint for dimensional parameters allow fault-free programming.

This total control system prngamming aid from Traub is a major advance which dramatically reducas the number of blocks used in prngramming for even the most complex of shapes, saving both time and the need for the normal high level of programming knowledge. Constant service speeds are achieved by the use of a 27kW DC drive motor, with the 4-quadrant control giving excellent dynamic behaviour and proving coustant power over a wide range. The operator bas only to call up the required surface speed once, then this remains constant regardless of the workpiece sbape.

Traub is at 249, Cricklewood Broadway, London NW2 6NP. 01-452 7852.

● MATERIALS

Strong cast steels cost less

LOW NICKEL casting steel formulation developed by the Department of Metallurgy and Materials Science at University College Cardiff is being released to the steel industry worldwlde.

In course of receiving patent protection, the formulation is described by the researcb team as belonging to the iron-manganese system with typically 12 per cent manganese.

The team says that nickel maraging steels have been known for many years but have found little application due to the higb cost of nickel. Their formulation bas properties similar to those of maraging steel based on nickel, but can be produced at very much less cost.

It glves materiala with bigh strength but excellent toughness and this ratio can be altered at will by a simple heat treatment.

The steels can be manufactured by vacuum or air-melting using constituents of high or low purity. With vacuum melting and higb purity materials, tbe strength:toughneas combination is better. But acceptable propertiea still can be obtained in leas favourable production conditions.

This last cbaracteristic is in marked contrast to many other high strength ateel formulations in which the level of impurities is quite critical between satisfactory performance and disastrous properties.

Thus, the Cardiff team seems to be well justified in calling the steel mix it bas developed a "tolerant" material.

Further from Cardiff University Industry Centre, P.O. Box 78, Cardiff CF1 1XL. Cardiff 44211.

● SAFETY

Non-slip decking

HUNDREDS OF high protuberances offer safety to seafarers according to Du Pont which has developed a type of deck covering made of Polygrip wbich inhibits feet slipping off wet decks into tbe water.

Based on a special formulation of Neoprene and cork, this is characterised by a bossed surface with hundreds of 1mm high protuberances (6 or 10mm diameter) and is permanently affixed to the deck using a special two-component polyurethane adhesive.

More from Du Pont (UK), 18 Bream's Buildings, Fetter Lane, London EC4 (01-242 9044).

● SECURITY

German unit foils the forger

A STRONG marketing effort is about to be mounted to introduce into the UK a well tried Germao security card access and time recording system called Interlock.

Sole rights in the UK are in the hands of a new company, Interlock Security Systems of Dorking, and Plessey Communications Systems of Nottingbam is to undertake nationwide marketing, installation and servicing of the products.

Manufacturers are Interlock Sicherbeitssysteme of Weigbeim in West Germany, where some 2,000 systems have been installed since since the iotroduction there in 1974.

Users include 3M, Adidas, BASF, Messerscbmitt, the Stuttgart Police, German Railways and a dozen other concerns. The system has undergone continual updating and improvemeot by the makers and now utilises the latest semiconductor storage tecbniques.

A particular advantage claimed for the card employed is that it is impossible to forge or duplicate it, the German authorities having demonstrated that magnetic based and electronic-active cards can be security penetrated.

Interlock's card uses coding impressions that are read by infra-red techniques with emitting diodes on one side of the reader slot and pbotocells on the other. However, an eight layer lamination is employed for added security: there are additional infrs-red-opaque patterns at various depths and the transmitted levels are measured to validate the material from which the card is made.

It is claimed that even if the overall pattern could be perceived in some way, perbaps photographically, it could never be duplicated. The cards are made in Switzerland in a complex plant under secure conditions.

An extremely large number of employee codes is poasible and as an added measure the employee's colour portrait can be laminated below the card surface.

Card readers and master stations can be supplied for access control, for time recording including flexible hours schemes, or for both.

In the caae of secure area access, a compact unit reads the card as it is heing inserted into a slot and the associated cable-connected terminal will check what is encoded on the card against what is held in the pre-programmed memory. Then the employee may enter, or not, the terminal appropriately operating either locks or alarms. Employee codes are held on random access memory (RAM) and fixed routines on programmable read-only memory (PROM). An employee's lost card can simply be barred by entering appropriate instructions on the master terminal keyboard.

Microprocessor control allows system interrogation by management staff using keyboard and VDU and also allows more data to be accessable from floppy disc stores. In addition a printer can be programmed to print out apecific data — for example, wbich people used wbich entrances at what time.

More from the company at 136 South Street, Dorking, Snrrey (0306 880366).

GEOFFREY CHARLISH

● COMMUNICATIONS

Developments in videotex

NEW RESEARCH services for organisations interested in tbe videotex/viewdata market are being launcbed by Butler Cox and Partners.

Videotex Report Series comprises 10 major reports to he published during 1980 and 1981 which will track worldwide development in videotex and analyse their implications for subscribing members.

In view of tbe increasing number of plans already announced for videotex in the 1980s by the countries most deeply involved in its development—Britain, France, Holland, Sweden, West Germany, the U.S., Canada and Japan — the next two years are likely to be crucial in establishing videotex as a major new communications medium in the business and residential market places. From the foundations laid in the next two years will spring the mass markats of the mid- to late-80s, or so Butler Cox believes.

The group's decision to undertake the Videotex Report Series was prompted by requests from a number of international clients wbo have sponsored the company's previous researcb studies of "Videotex and its Potential Impact in the U.S." and "Videotex and its Potential Impact in Europe."

As with the previous studies, the Videotex Report Series will be publisbed exclusively for the benefit of subscribers. In broad terms, the series will be of value to organisations in two categories: those directly affected by videotex'a potential for revenue earning; and those who are affected by videotex's potential to imprnve the effectiveness of internal commercial and administrative systems.

The ten reports in the series will be concerned with international developments in videotex relating to both public and private systems and residential and business market places. Tbey will be researched on a worldwide basis and will examine the latest experience, plans and trends in order to determine the technical and commercial developments that may be expected within the next five years.

Butler Cox at 26-30 Holborn Viaduct, London EC1A 2BP, on 01-583 9381.

● ENVIRONMENT

Warmth is directed downwards

HEAT trapped beneath ceilings and roofs can be directed downwards to work level by means of the Coral Winter Heat Economiser.

The unit, mounted at highest practical level, returns the bot air to work areas and maintalns a constant temperature level of circulatlng air.

Hot air is "pusbed down," to tbe work area by a fan fitted in a circular metal housing whicb is attached to the ceiling or underside of the roof. It is stated that one unit centrally mounted in a 35,000 cubic ft factory bay would give adequate air movement and distribution of beat. Tbermostatic control is provided.

Extracta Engineering, which supplies the heat economiser has also just acquired sole UK selling rights of a portable unit for removing fumes created in production areas by soldering processes.

This unit, made in Italy by Coral SAS of Turin, employs an extraction fan and flexible tube to carry away the fumes. Details of both units can be obtained from Extracta at Holder Road, Aldersbot, Hants. (0252 316661).

● ENERGY

Cold store blinds save power

NIGHT BLINDS for installation on chilled cabinets in multiple food stores can effect considerable savings in power consumption, says Shade One, Unit 3, Mallard Close Industrial Estate, Earls Barton, Northampton (0604 810523).

While the refrigerated food displays are open to customers for about eigbt hours a day, they are also on display for something like 16 hours night and day, which means that the compressors are working overtime and consuming valuable power.

With the use nf tbe company's Cbillscreen night blinds, the cabinets can be shrouded out of trading hours, thus retaining cool temperatures within and at the same time not affecting the ambient temperature in the store.

These power-saving blinds incorporate either gear-operated or spring-loaded aluminium rollers (said to be more reliable and have a longer life than the orthodox ratchet type). Longer life is also claimed for the metallised reflective material used in the production of the screen itself, whose surface is vacuum-coated with 99 per cent pure aluminium providing similar beat-reflecting properties to materials used in the protection of spacecraft.

The company has carried out tests with refrigeration engineers on bebalf of a nationally-known UK supermarket group and says that over a four-week period—two weeks without blinds in use and a fortnight with blinds used during store closed hours—a total saving of power over the full period of two weeks using the blinds was 36.5 per cent.

Once fitted, the blinds offer an increased safety factor should a cabinet break down during the weekend or over a boliday period, says the company, which recommends that during a day-time breakdown, Chillscreens should be pulled down over the cabinets until the arrival of an engineer.

All components and materials are either of plastic or aluminium and easily cleaned.

● SOFTWARE

Control of manufacture

ORIGINATOR of the widely-used Total database management system, Cincom Systems, bas completed development on a new product which in time is likely to prove just as acceptable as Total, but within manufacturing industries.

MRPS — manufacturing resource planning system—is a dynamic system for use by plant management to develop a master manufacturing plan, set up and control materials requirements, as well as inventories, orders, workloads, etc.

However, it goes further than the actual manufacturing operation since it ensures that the whole company structure becomes geared to this manufacturing plan and this is achieved by presenting on demand, company information which previously was too costly or to time-consuming to prepare by manual methods.

This type of information could include cost projections, future cash flow, labour and capacity needs and so on.

Development costs are already of the order of £½m but work is continuing to add new facilities to the three major sections now released and under trial in Eurnpe with a number of major users.

The three basic units making up the package are master data maintenance, materials control and materials resource planning. To these are being added over the next 12 months master production scheduling, shop floor control and loading, vendor analysis and purchase control.

Interesting in the present context is that one of the UK groups to which the product has been demonstrated had earlier made an estimate of what it would cost to develop something similar in-bouse. It came up with a figure of over £¼m for a system whicb would have been considerably more rudimentary than Cincom's MRPS, having no portability and being somewhat inflexible.

Cost of the full MRPS is just over £90,000.

Cincom Systems International, St. Ives House, Maidenhead, Berks. 0628 29456.

JOBS COLUMN, APPOINTMENTS

First legal limit on a company appointment

BY MICHAEL DIXON

WHAT IS the first job which directors of public limited companies in the United Kingdom are almost certain to be legally required to fill with a person possessing "the requisite knowledge and experience"?

The answer is the job of company secretary. And the requirement is slated in a new clause lately added to the Companies Bill, which is about to be passed from the House of Commons to the Lords on its way to becoming law.

The addition owes much to the efforts of Graham Page, the Conservative Member of Parliament for Crosby, who just happens to be a Fellow of the Institute of Chartered Secretaries and Administrators. The abbreviated form of that title, by the way, is FCIS because the alternative FICSA would scream out to be pronounced "Fixer," which the institute feels would not be seemly.

Even so, when the clause is put into force, the company secretaries of an estimated 10,000 public limited concerns will not necessarily have to possess paper qualifications.

Those without bumf-backing will remain employable if they are already a company secretary or assistant or deputy, or if they have done the secretary's job for a public company for at least three of the previous five years. Moreover, concerns will still be able to appoint anyone who by having held "any other position," appears to the directors to be capable of discharging the company secretary's duties.

But the writing is nonetheless on the wall for candidates bereft of certificates, according to Barry Barker, secretary of the secretaries' institute. (I have just telephoned his secretary to see if her title is secretary to the secretary of the secretaries; but it evidently is not. She answered the telephone with the words: "Station 69".)

Mr. Barker believes that company Boards will increasingly restrict the appointment to properly papered people rather than risk having to defend the choice of some bumfless bod in the event of something going badly wrong.

"Obviously, we welcome the measure," he says. "I look on it as the first attempt at preventive medicine to safeguard public companies' health. Things like auditors, Stock Exchange inquiries and what have you, usually don't get called in until the illness is already established."

But although he looks forward to an increase in calls by companies on the special employment service for members of his institute, which it runs in conjunction with MSL, his joy at the legislative coup is by no means of Bacchanalian proportions.

The reason for the restraint is the clause's list of professional bodies, membership of which is deemed an appropriate qualification for a public company secretary's job.

The first named in the clause are UK barristers, advocates or solicitors. Then the list ranks, in descending order, the Chartered Accountants of England and Wales, their Scottish counterparts, the Certified Accountants, and the Chartered fraternity of Ireland.

It is only then that the ranking names the Institute of Chartered Secretaries and Administrators, followed by the Institute of Cost and Management Accountants and the Chartered Institute of Public Finance and Accountancy.

That is hardly generous treatment for Barry Barker's body, which has been working to revive parliamentary interest in a measure which had been officially forgotten since its last brief appearance on the agenda in 1967. It seems that while, in Mr. Page, the chartered secretaries had an ace in Parliament, they have been neatly trumped by the influence of the legal and main accountancy bodies on the Government Departments responsible for drafting the legislation.

The circumstances remind me of the fictional character who could not enjoy good food after he became a Baronet. His appetite never survived the time spent waiting to go into dinner behind the Sons of Life Peers and Lords of Appeal in Ordinary. But Mr. Barker is not a man to be depressed by his institute's lowly ranking. Indeed, I have a suspicion that on leaving his office the other morning, I heard him humming: "We shall overcome . . . some day."

To aid spastics

PAT LINDSAY, of the Tyzack and Partners recruitment consultancy, is seeking someone to succeed James Loring as director of the Spastics Society. After 13 years in the job, Mr. Loring will leave at the end of this month to concentrate on being president of the International Cerebral Palsy Society.

The newcomer will be based in London's Park Crescent—four doors away from the aforesaid Barry Barker—and will be responsible to a council of around 16 members elected by the Spastics Society's regional branches. Although the elections are annual, the chairman, Dorrien Belson, has held the office for the past seven years.

The society relies greatly on voluntary work in running its residential centres, workshops, educational and recreational activities and so on. But there are about 2,500 staff of one sort or another up and down the country, of whom some 180 are at or near headquarters.

Responsible for a yearly budget of £14m, the recruit will be immediately supported by a director of fund-raising who of course brings the money in, a director of resources who pays it out, and a director of finance who presumably tries to keep the other two in reasonable balance.

Mr. Lindsay thinks that there is no point in people applying for the job unless they have a concern for and an understanding of the problems faced by spastics. Centrally important also are the experience and personality to "front" the society in the public eye, and the political sensitivity to keep the organisation working coherently despite the fragmenting potentialities of a network of committees and dependence on voluntary support.

He therefore believes that candidates need to have been successful as senior managers in a large, complicated organisation, preferably in business, and to have had top-level control of large-scale finance. Since the age range is 48-55, the post could well suit an executive tempted to switch into a "second career."

Arrangements for pay are negotiable within a total of about £15,000 to £20,000. Inquiries to Mr. Lindsay at 10 Hallam Street, London W1N 6DJ; telephone 01-580 2924.

Follow that!

FINALLY, having room for a parting shot, I can think of none better than the following example reported by Jim Kennedy, of Consultants News, from a recent conference of the American Association of Executive Recruiters.

Perhaps because most of the proceedings were pretty boring, a lively speaker called Graef Crystal earned a full minute's applause. He then stunned the audience into silence by remarking: "If you enjoyed hearing me half as much as I enjoyed being here, then I enjoyed being here twice as much as you enjoyed having me."

LOMBARD

The Italian caper

BY DAVID PALMER

IT IS just possible that an Italian called Brambilla is the most important person in the EEC economy at the present time.

Brambilla is the man who is holding Italy's economy together. He is variously credited with creating between 10 and 30 per cent of Italy's GNP—the current best guess is 20 per cent. No less a man than Sig. Pandolfi, Italy's Treasury Minister, has named a currency after him ("the Brambilla lira"). And Brambilla is making a significant contribution to Italy's sparkling export growth over the past two years, a period when sales abroad have gone up 20 per cent by volume.

Wild guesses

Sciur Brambilla is the archetypal Italian small businessman. (Sciur is Lombardy dialect for Signor and you will find roughly as many Brambillas in a Lombardy telephone directory as you will Joneses in a Welsh one.) His factory may make machine tools, clothing, light engineering products, shoes, gloves or jewellery, all products in which Italy has a significant export surplus.

Estimates of how many Brambillas there are and how much wealth they create represent wild guesses on the part of the authorities. Many of the Brambillas do not declare what they are doing and have a thoroughly Mediterranean attitude towards VAT and income tax. Where convenient, they will use barter as a substitute for cash.

The Brambilla workforce is non-unionised, and negotiations over remuneration take due account of the fact that a worker is already receiving various forms of unemployment benefit from the state.

"Naples," I was told with some pride last week, "produces more gloves than any other city in the world—and it does not have a single glove factory." The gloves come from thousands of backrooms all over the city, and once made they are channelled through Neopolitan trading companies on their way to world markets—many of them carrying the labels of the world's top fashion houses.

"You see," explained one senior industrialist, deftly turning the theory of perfect competition inside out, "they (in this case, the machine tool industry Brambillas) are really all monopolists. Each of them has specialised in a particular product, so they can charge what they like and make good money."

Meanwhile Sig. Pandolfi, the Treasury Minister, finds he has to manage two economies with two liras, the "Fiat lira" and the "Brambilla lira." The level of the lira at which Fiat is competitive in international markets is significantly lower than the one at which Brambilla can bring in his (undeclared) profits. Fiat in the private sector, and Italy's large and debt-ridden state holding companies in the public sector are faced by an all too familiar litany of constraints on their freedom of action: powerful trade unions; labour legislation that puts a high financial and industrial relations price on laying off surplus labour; taxes that have to finance a modern welfare state; over 20 per cent inflation which is severely damaging their export competitiveness, while the efforts of Brambilla hold the lira steady against most world currencies.

Monopolies

But Brambilla is doing more than that. In a country with the largest Communist party in Europe, he is turning marxism on its head. Marx believed that the inevitable laws of social and economic development would lead to ever greater concentration of capital in the hands of huge monopolies. The smaller capitalist would be driven to the wall. Not a bit of it.

While the state-controlled groups, the heirs to Mussolini's corporate state, lurch from crisis to crisis, Sciur Brambilla is alive and well, thriving in a world of old-fashioned, nineteenth century, profit-motivated capitalism. Italy being Italy, a lot of the wealth being created by Brambilla is coming from the dark side of the black economy. But Italy being Italy, the quality of the goods is high, and small-firm capitalism is being organised with all the exuberance and vitality that one feels as soon as one steps on Italian soil.

The Budget and the bottle

WINE

BY EDMUND PENNING-ROWSELL

LAST MONTH an issue of The Times contained a reply to a Parliamentary Question, indicating that in real terms to restore duty increases on wines to the 1977 level (when the last rise was made) would mean a 39 per cent jump in duty: 22p a bottle. This was regarded as a hint of steep increases in the impending Budget. In the same issue an announcement from Brussels was reported indicating that owing to the near-record European Community vintage last year of 3,675m gallons, a surplus of 550m gallons would have to be poured into the "wine lake," of which between 130m and 175m gallons would be distilled at a cost to the taxpayer of £55m. If the threatened duties are applied it seems unlikely that we in Britain will be helping greatly to reduce the wine lake, which is, of course, an item in our contributions to the CAP.

No doubt because there has been no duty increase on wine since 1977, the idea has spread around that in the intervening three years it has got off lightly: although the near-doubling of VAT last June put an additional 12p on a bottle now selling at £2, while one retailing at £4 carries a VAT of 52p: this in addition to a duty of about 55p, making a total of £1.07, or more than 25 per cent of the selling price.

Moreover, the stability of excise duties in the last three years follows a three-year period beginning in 1974 when they rose every year: from £1.50 a dozen bottles to £6.50—a rise of 333 per cent that even now has outrun the rate of inflation since 1974.

Moreover, the Revenue has certainly benefited by a standstill in duties. In 1974 the consumption of table wines, as measured by duty payments, totalled 41.1m gallons, and only 41.2m gallons three years later. But in 1978 it was 49.4m gallons, and the rise in consumption last year should have taken the total comfortably over 50m gallons.

It is well known that during the last decade there has been a big increase in table wine consumption in Britain. Among those aged 18 or over it rose by 50 per cent between 1970 and 1978, and surely increased again in 1979. The market survey consultants, Target Group Index, estimated that whereas in 1973 the number of table wine drinkers aged 18-plus totalled 17.8m, by 1978 it had grown to 21.4m. This shows, incidentally, that the increase in consumption has arisen from more people drinking wine and not from a noticeably greater per capita consumption, estimated at only about 1 per cent up in the last five years.

The latest figures for wine imports, including fortified wines, but not vermouth, show that last year we imported £290m worth: but that was only half the value of Scotch whisky exports, always a rather sensitive subject with the two main EEC wine-producers, France and Italy, as shown by the heavy VAT imposed by the latter on Scotch. So there would appear to be good grounds, financial and political, for not discouraging the growth of wine drinking in Britain.

Unfortunately, the financial and the psychological impact of frequent duty increases (customs, excise and VAT) on top of inflation of prices at source in the producing countries has contributed to the widespread belief that wine is now unreasonably expensive here. But is it?

It must be agreed that ordinary table wines cost more than they should, owing to our flat-rate duties. A 75cl bottle of water that somehow got charged as wine would incur a tax of 63p without taking account of the cost of the wine, shipping, bottling and trading margin, all of which would, of course, increase the VAT.

For those of us with memories of prices 20 or more years ago, it is difficult not to regard as expensive everything we buy, whether goods or services. Yet, to be fair, to describe anything as "unreasonably" or "too" expensive implies that its cost has risen more than other commodities. In the case of wine the comparisons should be made with other items that we see on our dining tables. Taking the main categories of meat, vegetables, tea, coffee, milk, cheese and other foods, the index shows that in the last 10 years they have increased in price by about 3½ times; some more, some rather less, but none under three times. How has wine fared?

Admittedly, owing to the great variety of wines, in source as well as in type, style and character, this is not easy to determine. It is difficult to make comparisons between ordinary non-vintage wines of the kind often sold in litres, because they are so much more widespread than they were 10 years ago, and it is well-nigh impossible to compare quality then and now. Yet, leaving aside the taxes, it would be hard to maintain that such everyday wines are out of line compared with other commodities. Indeed, they are probably relatively cheaper.

In 1970 the Wine and Spirit Association estimated the price of an average, typical bottle of table wine at 13s 9d (69p). Today this figure would lie between £1.50 and £1.75, although one can buy more cheaply.

Probably it is chiefly the vintage wines, however modest, that are now considered too high in price. Some sympathy can be given to this view, partly because until recently a great many of the middle quality range, such as the crus bourgeois of Bordeaux, were too poorly remunerated, with a negative effect on the quality that they could afford to provide. The gap between their ex-property prices and those of the classed growths was excessive. Certainly, burgundy prices now look very high, although less so if compared with wines of similar quality in Bordeaux.

Surprisingly, the higher level clarets are relatively cheaper than they were.

To take a few examples from the lists of traditional wine merchants, who might be expected to be at the higher end of the price brackets, in 1970, Harveys of Bristol were listing Bordeaux Rouge at 14s 7d (73p). In the latest list it is £2.27. Their Rioja has risen from 11s 9d (59p) to £2.12 and their Luncheon Dry sherry, in a slightly smaller bottle, from £1.19 to £2.05. Their Pirrot "house" champagne has gone up from £1 17s (£1.85) to £5.12. Berry Bros' popular No. 3 sherry has only increased from £1.55 to £3.41. Five-year-old Warre '63 on Avery's 1968 list at 29s (£1.45) may be compared with £5.85 for nine-year-old Warre '70 now.

German wines are certainly relatively less expensive than they were at the beginning of the '70s, and this applies to most Italian quality wines too.

Of course, in cash terms wines cost more than they did five or ten years ago, and successive governments have some responsibility for that, but much of the concern expressed about wine prices may be attributed to two causes. First, wine is often more part of the social scene than of the gastronomic one, so that quality is of lesser importance than price. A bottle on the table is a bottle on the table, regardless. Secondly, it is possible to buy down on wines, as cannot be done with most other foods. The going price must, broadly, be paid for meat, vegetables and cheese. For wine there is usually something cheaper. Maybe not as good, but not everyone will notice.

None of this implies that wines are cheap; merely not out of line with other consumable commodities. Let us hope that the Budget does not change this unfavourably; at the expense, maybe, of the Revenue as well as of wine drinkers.

Paiute should offer good value

RACING

BY DOMINIC WIGAN

TAKING the view that Monksfield does not represent betting value at around 11-8 for this afternoon's Champion Hurdle, and that Pollardstown has not attained the status necessary to oblige, I intend siding with Paiute.

It is difficult to understand the reasoning of ante-post backers, who, almost to a man, have shunned this French challenger, whose odds have been fluctuating around 33-1.

Although Paiute is virtually a newcomer to English hurdles, and his last victory was over three miles, he won the 1979 French Champion Hurdle and gained his most recent success in runaway style.

He will relish the testing ground, to which he is accustomed, and his immensely experienced jockey, Martin Blackshaw, knows Cheltenham as well as most English-based jockeys.

Paiute, who worked and schooled over the course yesterday, is a tough young hurdler capable of giving Monksfield a tough battle should it come to the expected slogging match up the gruelling final hill.

I take that pair to be followed home by the consistent six-year-old Connaught Ranger who should produce his best performance so far for Fred Rimell.

Anyone looking for a long-priced each-way prospect among the seven English-trained runners would do well to consider Norfolk Downs. This five-year-old is one of the two youngest horses in the field—the other is Pollardstown—who turned in a remarkable performance on his last appearance at Cheltenham by comfortably beating Celtic Ryde at level weights over 2½ miles in the Tote Treble Hurdle.

Success would make Norfolk Dance the youngest winner of the Champion Hurdle since Night Nurse's first victory four years ago.

Six-year-olds have the best post-war record in the race. In the 34 Champion Hurdles since 1945, 14 winners have been that age, seven-year-olds have won on seven occasions and five-year-olds six times. There have been four successes for eight-year-olds and one each for nine, 10 and 11-year-olds.

CHELTENHAM

2.15—Brickwall Hotel
2.50—Corrib Chieftain**
3.30—Paiute***
4.05—Mountrivers*
4.40—Kilkilwell
5.15—Seventh Son

TV Radio

BBC 1

† Indicates programme in black and white

6.40-7.55 am Open University (Ultra high frequency only). 9.35 For Schools, Colleges. 12.45 pm News. 1.00 Pebble Mill at One. 1.45 Trumpton. 2.00 You and Me. 2.14 For Schools, Colleges. 3.53 Regional News for England (except London). 3.55 Play School (as BBC2 11.00 am). 4.20 Yogi Bear. 4.25 Jackanory. 4.40 On Location . . . with "God's Wonderful Railway." 5.05 John Craven's Newsround. 5.15 Rentaghost.

5.40 News.
5.55 Nationwide (London and South East only).
6.20 Nationwide.
7.00 The Osmonds (London and South East only).
7.30 Life on Earth.
8.25 Sweet Nothings.
9.00 News.
9.25 Flesh and Blood.
10.15 Graham Sutherland ("Omnibus" tribute).
11.00 Platform One. Kingman Brewster, the American Ambassador, in conversation.
11.30 Weather/Regional News.

All Regions as BBC1 except as follows:

Wales—10.38-10.58 am I Ysgolion. 4.40 pm Crystal Tipps and Alistair. 4.45-5.05 Yn Noson Dywyll. 5.55-6.20 Wales Today. 7.00-7.30 Heddiw. 11.30 News and Weather for Wales.

Scotland—10.38-10.58 am For Schools (Around Scotland). 12.40-12.45 pm The Scottish News. 5.55-6.20 Reporting Scotland. 7.00-7.30 The Osmonds (as London and South East). 10.15 Current Account. 10.45 Can Seo. 11.20 Write Away. 11.35 pm News and Weather for Scotland.

Northern Ireland—10.38-10.58 For Schools. 3.53-3.55 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 7.00-7.30 Children and their Music. 10.15 Spotlight on Northern Ireland Affairs. 10.45 Graham Sutherland ("Omnibus" tribute). 11.30 News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth); 7.00-7.30 East (Norwich) Man's Estate; Midlands (Birmingham) The Sign of the Dragon; North (Leeds) Lifelines; North East (Newcastle) Look Natural; North West (Manchester) Ready Eddie Go; South (Southampton) All Change For . . . Brighton; South West (Plymouth) Over to You; West (Bristol) Sports Show.

BBC 2

6.40-7.55 am Open University.
10.05 Educate, Agitate, Organise.
10.30 Lost For Words.
11.00 Play School.
11.25 Write Away.
11.40 It's A Great Life.
1.00 pm Dilemmas.
1.30 Propaganda With Facts.
2.00 Racing from Cheltenham.
4.50 Open University.
†5.40 Flash Gordon.
6.00 The Waltons.
6.45 Racing: Cheltenham Festival (highlights).
7.05 Mid-Evening News.
7.15 In Search of Boadicea.
8.00 Change of Direction.
8.30 Writers and Places.
9.00 Movie Showcases: "Old Boyfriends."
10.40 Cartoon Two.
10.45 Newsnight.
11.30 The Old Grey Whistle Test.

LONDON

9.30 am Schools Programmes. 12.00 Paperplay. 12.10 pm Pipkins. 12.30 The Sullivans. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Take the High Road. 2.00 After Noon Plus. 2.45 Wilde Alliance. 3.45 Three Little Words. 4.15 Pop Gospel. 4.45 Magpie. 5.15 Emmerdale Farm.

5.45 News.
6.00 Thames News.
6.20 Help!
6.35 Crossroads.
7.00 Charlie's Angels.
8.00 Armchair Thriller.
8.30 Leave it to Charlie.
9.00 Hollywood.
10.00 News.
10.30 "Frenzy" starring Alec McCowen (Alfred Hitchcock thriller).
12.35 am Close: Personal choice with Anna Ford.

All IBA Regions as London except at the following times:

ANGLIA

1.25 pm Anglia News. 6.00 pm About Anglia. 7.00 Bygones. 7.30 You're Only Young Twice. 10.30 Feature Film: "Young Dillinger." 12.20 am Anthology.

ATV

12.30 pm George Hamilton IV. 1.20 ATV Newsdesk. 5.15 Circus. 6.00 ATV Today. 7.00 Emmerdale Farm. 7.30 England Their England. 10.30 ATV Newsdesk. 10.35 The Clint Eastwood Star Movie: "Two Mules for Sister Sara."

BORDER

1.20 pm Border News. 5.15 Father, Dear Father. 6.00 Lookaround Tuesday. 7.00 Emmerdale Farm. 7.30 Survival. 10.30 Luke's Kingdom. 11.30 Crime, The Public and the Media. 12.00 Border News summary.

CHANNEL

1.20 pm Channel Lunchtime News, What's On Where and Weather. 5.15 Bailey's Bird. 6.00 Report at Six. 10.28 Channel Late News. 10.36 Feature Film: "Fragment of Fear." 12.35 am Commentaires et Previsions Meteorologiques.

GRAMPIAN

8.25 am First Thing. 1.20 pm North News. 6.00 North Tonight and Area Weather Forecast. 7.00 Fantasy Island. 10.30 Cover to Cover. 11.00 Reflections. 11.05 The Tuesday Thriller: "The Secret Night Caller." 12.25 am North Headlines.

GRANADA

1.20 pm Granada Reports. 5.10 This is Your Right. 5.15 Crossroads. 6.00 Granada Reports. 6.30 Emmerdale Farm. 7.00 A Man Called Sloane. 10.30 Film of the Week: "The Virgin and The Gypsy."

HTV

1.20 pm Report West Headlines. 3.45 The Entertainers. 5.15 Magilla Gorilla. 5.20 Crossroads. 6.00 Report West. 6.30 Best in the West. 10.35 The Big Picture: "The Sound and the Fury."

HTV Cymru/Wales: As HTV West/HTV General Service except: 10.18-10.31 am Mwy Neu Lai. 12.00-12.10 Fflabalam. 1.20 pm Penawdau Newyddion y Dydd. 1.25-1.30 Report Wales Headlines. 4.15-4.45 Sbardun. 6.00 Y Dydd. 6.15 Report Wales. 6.30-7.00 Worzel Gummidge. 10.35 Bywyd. 11.35 World in Action. 12.05-12.35 am Father, Dear Father.

SCOTTISH

1.20 pm News and Road and Weather. 1.30 Selwyn. 5.15 Alastair McDonald. 5.20 Crossroads. 6.00 Scotland Today. 6.30 What's Your Problem? 7.00 Take the High Road. 7.30 Father, Dear Father. 1.30 Late Call. 10.35 Midweek Movie: "Innocent Bystanders."

SOUTHERN

1.20 pm Southern News. 5.15 Dick Tracy Cartoon. 5.20 Crossroads. 6.00 Day by Day. 7.00 Emmerdale Farm. 7.30 Doctor Down Under. 10.30 Southern News Extra. 10.35 "Trog," starring Joan Crawford.

TYNE TEES

9.20 am The Good Word, followed by North East News Headlines. 1.20 pm North East News and Lookaround. 5.15 How's Your Father? 6.00 North East News Headlines. 6.02 Crossroads. 6.25 Northern Life. 7.00 Emmerdale Farm. 7.30 Survival. 10.30 North East News Headlines. 10.35 The Tuesday Movie: "Goldenrod." 12.30 am Epilogue.

ULSTER

1.20 pm Lunchtime. 4.13 Ulster News Headlines. 5.15 Cartoon Time. 5.20 Crossroads. 6.00 Good Evening Ulster. 7.00 Emmerdale Farm. 7.30 A Drop in Your Hand. 10.29 Ulster Weather. 10.30 Feature Film: "The Mackintosh Man." 12.25 am Bedtime.

WESTWARD

1.20 pm Westward News Headlines. 5.12 Gus Honeybun's Birthdays. 6.15 Bailey's Bird. 6.00 Westward Diary. 10.32 Westward Late News. 10.36 Feature Film: "Fragment of Fear," starring David Hemmings and Gayle Hunnicutt. 12.35 am Faith for Life. 12.40 West Country Weather and Shipping Forecast.

YORKSHIRE

1.20 pm Calendar News. 3.45 Calendar Tuesday. 5.15 How is Your Father? 6.00 Calendar (Emley Moor and Belmont editions). 7.00 Emmerdale Farm. 7.30 Survival. 10.30 The Big Picture: "Casanova '70."

Radio Wavelengths

1	1053kHz/285m 1089kHz/275m	3	1215kHz/247m & 90-92.5vhf stereo	BBC Radio London: 1458kHz, 206m & 94.9vhf
2	693kHz/433m 909kHz/330m & 88-91vhf stereo	4	200kHz/1500m & 92-95vhf	Capital Radio: 1548kHz 194m & 95.8vhf
				London Broadcasting: 1151kHz, 261m & 97.3vhf

RADIO 1

(S) Stereophonic broadcast
‡Medium wave

5.00 am As Radio 2. 6.00 Dave Lee Travis. 9.00 Simon Bates. 11.31 Paul Burnett. 2.00 pm Andy Peebles. 4.31 Kid Jensen. 7.00 Personal Call. 8.00 Mike Read. 8.50 Newsbeat. 10.00 John Peel (S). 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.03 Ray Moore (S). 7.32 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 10.03 Jimmy Young (S). 12.03 pm David Hamilton (S). 2.03 Steve Jones Request Show (S) including Racing from Cheltenham. 4.03 Much More Music (S). 5.00 News. 5.05 Waggoners' Walk. 5.20 Much More Music (S). 6.03 Derek Hobson (S). 8.02 Hubert Gregg says I Call It Genius: Busby Berkeley. 9.02 Glamorous Nights (S). 9.55 Sports Desk. 10.02 The Frankie Howerd Variety Show (S). 11.02 Brian Matthew with Round Midnight, including 12.00 News. 2.02-5.00 am You and the Night and the Music (S).

RADIO 3

†6.55 am Weather. 7.00 News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composers: At the Court of Gustav III (S). 9.45 Bartok piano recital (S). 10.15 The Trio-Sonata (S). 11.10 New Music Group of Scotland (S). 12.10 pm BBC Welsh Symphony Orchestra, part 1 (S). 1.00 News. 1.05 Six Continents. 1.25 BBC Welsh Symphony Orchestra, part 2 (S). 2.15 Schumann and Quilter Songs (S). 2.55 Hindemith chamber music (S). 3.25 Symphonies from Eastern Europe: Smetana (S). 4.25 Jazz Today (S). 4.55 News. 5.00 Mainly for Pleasure (S) (‡ and mono only from 6.20). 7.00 Stravinsky Miniatures (S). 7.30 Play Festival: "We all come to it in the end" by Don Howarth. 8.45 Schubert (S). 9.15 Drottningholm: A Theatre Lost and Found (S). Investigation by Roger Savage. 10.15 St. David's Music Week 1980, concert, part 1: Bach, Tomkins, Jones (S). 11.00 Interval Reading. 11.10 Concert, part 2: Varese, Poulenc, Bach. 11.55-12.00 News.

VHF only — 6.00-7.00 am and 6.20-7.00 pm Open University.

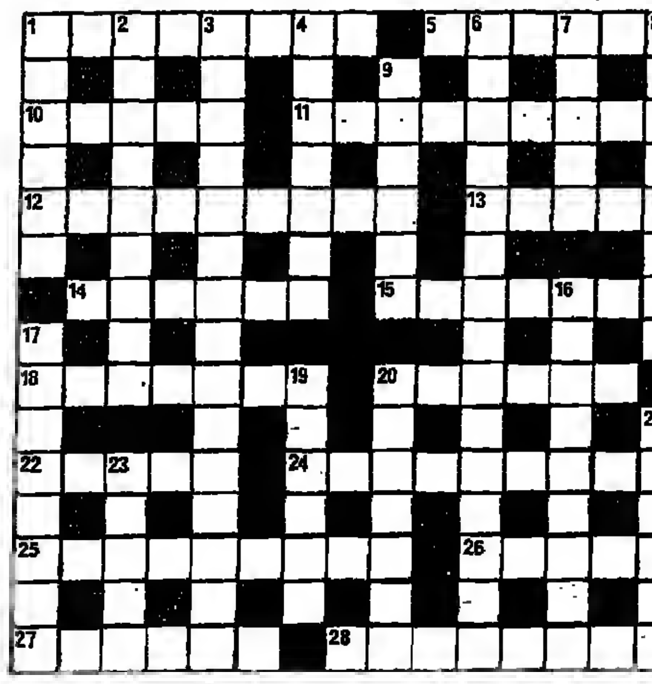
RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping forecast. 6.30 Today including 6.45 Prayer for the Day. 7.00, 8.00 Today's News. 7.30, 8.30 News Headlines. 7.45 Thought for the Day. 8.35 Yesterday in Parliament. 9.00 News. 9.05 Tuesday Call (Forecasting the Weather). 10.00 News. 10.05 In Britain Now. 10.30 Daily Service. 10.45 Story Time. 11.00 News. [illegible]

BBC Radio London

[illegible]

F.T. CROSSWORD PUZZLE No. 4,222



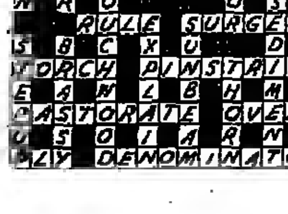
ACROSS

1 Licence to travel and transfer wine (8)
5 Quaint offspring could be favourite (4-2)
10 Catch nothing in beak (5)
11 Sailor in eastern ship added flavour (9)
12 Maize is sugary and salt (5-4)
13 Learners about to copy part of a coat (5)
14 Screen a puzzle (6)
15 Stress is back in part of joint (7)
18 Gent has mixed a peg of whisky and soda (7)
20 Plaster me in currency (6)
22 Piece let in, in television (5)
24 Examination without warning by doctor looking for measles? (4-5)
25 A role people take initially in living quarters (9)
26 Turning up tin to feed into computer (5)
27 Last finish by river (6)
28 Soldiers scrutinise investigation (8)

DOWN

1 Beat offensive around Northern Ireland (6)
2 Prop up rope on the coast (9)
3 Conjuror mixed spirit to grade it (15)
4 Put back remainder on mineral aggregate (7)
6 Exercising mother on ravine, but it needs a bit inserted when working (8-7)
7 Highly inclined to pace round one quarter (5)
8 Young bird getting home with fish (8)
9 Satellite makes smooth start of trajectory (6)
16 Publican takes guard in interior (9)
17 I'm entering landed property to make a rough calculation (8)
19 Has net put up in hurry (6)
20 I must leave clothier in confusion and chuckle (7)
21 Drawing head of skipper on ship (6)
23 Sober way to help (5)

SOLUTION TO PUZZLE No. 4,221



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THE ARTS

Logan Hall Theatre, WC1

Pizza Express Jazz Festival

by KEVIN HENRIQUES

Restaurateur / jazz patron Peter Boizot served up his second annual feast of jazz on Friday, mixing music of most categories at a quality level which was never anything but high. A pity, then, that such a digestible bill of fare was not savoured by a larger number of people. The set-up for the event, the 900-seat Logan Hall Theatre and the adjoining Jeffery Hall, separated by a foyer where, throughout the evening a sequence of pianists entertained and food, drinks and records were on sale, seems ideal for a comparatively small-scale venture such as this. Perhaps the location, in a little-known (except to university students) and unfashionable part of London, deterred the notoriously somnolent jazz followers.

For the hundreds who did *make the* effort the rewards were considerable. For the absurdly small investment of £5, or at most £6, they heard seven hours of thumping good jazz. "Thumping" is possibly the most accurate word to describe the music of the *Onward* New Orleans Band from Tyneside, led by 19-year-old trumpeter Colin "Kid" Dawson. This was authentic white imitation New Orleans jazz complete with banjo, wood blocks an' all. Also a clarinettist (Nick Paul) with an attractive Creole-type liquidness. No doubt, though, that the band's star is the frail-looking but powerfully blowing leader. "Kid" Dawson's bravura style recalls Henry "Red" Allen and he leads his band with incisive attack. He is not afraid to take chances either. Unfortunately, like so many British trumpeters, he inflicts his singing on an innocent public.

The biggest band of the evening was the 17-piece swing-jazz outfit appearing under the Ted Heath banner and directed by trombonist Don Lusher. Though not now a regular unit, when the musicians (almost all ex-Heath personnel) crashed into the opening chords of the renowned signature tune "Listen to my music," followed immediately by an explosive launch into "Opus One," it was impossible not to feel a chill tingle, and not of nostalgia either. As usual, the band played with immaculate musicianship and precision with inevitably the trombones smooth as silk as *trombonist Heath always* ensured. There were small group jazz features for, among others, Tommy Whittle and Kenny Baker, *top-form* vocals from the glamorous Lita Roza (especially telling in trio work-outs), comedy spots from Duncan *Campbell and Jack Parnell* whose lethargic drumming, alas, was the only serious blemish.

In an evening which showcased some of the best British musicians, pianists and saxophonists abounded. Among the latter, no question that Bobby Wellins, with his highly personal style of phrasing and approach to his instrument, was the most stimulating. An introspective player, he seems more effective in ballads, though in up-tempo tunes there is no hesitance, every note is placed deliberately and judiciously.

Kathy Stobart's style is more extrovert and approachable. Her *lengthy* spot *took* the *form* of a lecture in which she set out to explain the "mystery" of jazz in simple terms, using her *rhythm section to illustrate* points. There was plenty of playing, though, and in features such as her warm version of "*Emily*," she *showed* why she is in the forefront of Britain's many talented tenor-saxists.

Inevitably a jazz festival must have some American guests. This year's best known, trombonist Al Grey and tenor-saxist Jimmy Forrest, had two sets, in the first *backed*, unusually, by an all-strings trio of Martin Taylor, Ike Isaacs (guitars) and Peter Ind (bass). But it was in the second setting, supported by the other American guests, the Oliver Jackson trio, that the atmosphere became charged.

Grey is a witty, flamboyant and fast trombonist, yet a master of the subtle use of the rubber plunger mute. Forrest, a less flashy personality, is a passionate bluesy saxist who instils special feeling into his work. Linked with the trio of drummer Jackson the five clicked immediately.

No wonder! This rhythm section is of a calibre Europe rarely produces. Jackson is an impeccable master of time whose value is more than that of a mere *timekeeper*. He generates, spurs and inspires but is never, never obtrusive. Leonard Gaskin on bass makes sure the pulse is secure and contributes enormously. Both are known in Britain, but pianist Cliff Smalls is relatively obscure. Like his two associates, he is a former Earl Hines sideman and this influence showed, even to the extent of emulating the Hines device of a long-held right-hand tremolo. But his own style owes little to any era or person and was ear-opening for its eclecticism. His "Lubla Blues" was as genuinely moving as anything heard all evening and later, around midnight, he stilled a noisy Jeffery Hall with a commanding unaccompanied version of "You're gonna hear from me."

Appropriately it was with the Jackson trio, plus sitters-in Kathy Stobart and Digby Fairweather, that the feast ended early Saturday morning with a festival-only spectacle of *two* bassists, Gaskin and Peter Ind, humorously swapping four-bar phrases in a goodnight blues.

London Galleries

The artist's lot

by WILLIAM PACKER

Artists, too, have a living to earn, which common, unremarkable obligation sometimes bears down upon them with uncommon weight. For in this country *it is the sad truth* that all but a handful even of our most gifted artists cannot live by their art alone. Works of art do not just happen, and to the true artist the work is paramount; yet what can he do? He must indeed compromise to keep himself, even at the risk of the Revenue acting upon Joseph Heller's wicked logic to class his work as his hobby.

The issue turns on the question of Time, which somehow must be bought for the paintings, or whatever, to be made. The economics are daunting, and the painter might easily find that painting itself is a luxury he can barely afford. To live by the work it must be sold: and yet price it realistically and it will be thought expensive, price it too low and what with the tax to be paid, and the dealer's commission (usually 40 per cent, sometimes much more) and the artist is left with a pittance for the work of months, even years.

The State agencies can only nibble at the problem, though they have become the major general patrons: for no Tate or Arts Council can, nor should take everything any artist produces, or subsidise him alone with regular bursaries. But, from the artist's end of the telescope, keeping the collection topped up looks all very well, but the money from a single important sale will only last so long. The independent patron is his only hope, but he is a rare beast indeed, and one that it would seem to be our active policy to discourage. The artist is the real victim.

A few brave souls do make the attempt to *break free of* the time-consuming and debilitating duties of teaching, the most usual and congenial ploy, or *labouring, only* to find that the conspiracy pursues them and time is as short as ever. So it is that the lucky sculptor, for *example, finds that to live by* his sculpture he must become the prisoner of whatever commissions he can drum up, and the *drumming alone* can be a difficult and lengthy business; and the painter is all too likely to be pressed into the *print* - making industry. Bully for them, you might say: but again the time and effort is deployed aside from the artist's major pre-occupations, no matter how well the jobs are done, nor how satisfying they might be in themselves.

Most serious of all is that the natural pace of the artist's development slows down alarmingly; for such opportunities involve long and expensive processes, and much tedious technical execution besides. At the end of it all, either the commissions dry up, or the patron or publisher will want to cap a success with more of the same.

Two excellent current exhibitions point this frustrating and wasteful dilemma. Norman Stevens is one of the best painters of his generation (which includes Hockney and Hoyland, Kitaj and Riley), and *yet* he remains comparatively unknown outside the Art World. Even within it he is misunderstood, his earlier painting forgotten, or at best misread through his association with David Hockney, and now he is *known more* as *an* etcher than as a painter. His show at the Redfern (until March 26) includes his entire output in some ten years as a print-maker, his main activity since he withdrew from teaching in the early seventies, a good number of recent drawings, and six new paintings, three of which are substantial works. It is his first major exhibition in London in those ten years, a period in which he can have made barely two dozen paintings —a show at the Arnolfini in Bristol in 1977 included most of the remainder.

Flowers from Madeira, an etching by Norman Stevens

The work itself is as intriguing and beautiful as ever, all of it, etching and painting alike, excellent technically, and serving his peculiar and highly-charged *personal* vision. There is nothing superficially dramatic or spectacular in the imagery, quite the reverse in *fact*. It stands quietly in the centre of the English romantic landscape tradition, an intelligent and imaginative restatement of a familiar world of gardens and hedgerows, lanes and monuments: and it is no surprise that recently he illustrated a volume of Hardy's poetry (a number of these small works are in the show).

The *work springs directly* from Stevens' experience of particular places or things, the reference a drawing or perhaps a photograph; but such is only the starting point, for the image is entirely reworked, reinvented, the experience transformed into one that depends entirely on the painting and the sensations it generates. His real subject is the sensation of place, and hangs upon his almost palpable sensitivity to space, to the physical interval between and beyond the things he describes. And by the alchemical agency of paint, and the illusion the painter commands, we too may move into that space imaginatively. The eye moves constantly from the fact to the thought, and back again, from the surface, which Stevens handles with such subtlety, to the image.

The three large paintings are remarkable, each of them invested with a curious, almost feverish intensity of feeling. Museum Piece, the painting of a *large pot alone on its tiled* floor, is outstanding, the form modelled with assurance and restraint, the space itself, the deep shadowy space around the corner especially, a marvel of delicate and mysterious suggestion. The two large new etchings are also remarkable, technical tours de forces.

Norman Ackroyd is another painter-etcher of that *same* generation, but the choices he has made are different. He has continued to teach, and rather than engage with publishers and craftsmen-printers he has kept all his etching under his own hand, printing his own editions, *which is a daunting undertaking*. The particular nature of his work, with its delicate atmospheres demanding so subtle a *wiping of the plates*, leaves *him* no real choice. But the result is that his painting is squeezed out, and what little is done is hardly ever shown. What I have seen of it tells me this is a great pity.

But Ackroyd's commitment to etching has always been wholehearted. He too is a manifest romantic and his subject, the landscape, particularly the wilder countryside in its stormier aspect, seen through the veils of mist and rain, and the approach of night. His work has grown less self-conscious, less arty, than it once was, quite as skilful but less clever and more direct. The best works are very beautiful indeed. *His* agents, Anderson O'Day, are showing a small but excellent selection from his work of the *1970s, which can be viewed* by appointment at 5, St. Quintin Avenue, London, W10, until March 19.

1980 Jefferson Lecture in London

Barbara Tuchman, the Pulitzer Prize-winning American author, has been named as the 1980 Jefferson Lecturer.

Mrs. Tuchman will deliver the 1980 Jefferson Lecture "One Self-Approving Hour"—before an invited audience at Guildhall, London, on Wednesday, April 30. The lecture is traditionally delivered in different American cities. This will be the first time it has been given outside the U.S.

The Jefferson Lecture was established in 1972 by the National Council for the Humanities to recognise prominent scholars and other citizens whose work and intellectual achievements have *practical* applications in today's society. The award carries an honorarium of $10,000.

Elizabeth Hall

David Ward

by PAUL DRIVER

For David Ward, Mozart's piano music is a singular obsession. "Of all the composers," he writes, "I find Mozart to be the one who satisfies completely." And so he has devoted his considerable energies almost entirely to the performance and recording of the solo works. Presumably he *will eventually* broaden his scope to include the piano concertos, which is where, enabled by the harmonic possibilities of an orchestra with *its sustaining* instruments, Mozart's piano style acquired true richness and depth. And yet, more than most players, Ward is capable of demonstrating subtleties of thought and texture (the latter facilitated by his use of Bösendorfer instruments whose sumptuous sound and consummate evenness of tone he makes unquestionably apt for Mozart's music) one had missed in a corpus of works that may often have seemed disappointingly sparse.

That is not really to baulk at the handful of mature sonatas that do scale heights, just to wish for more of them. However Ward's playing, as if in a deliberate exercise of reclamation, did not on Sunday afternoon favour the two (middle) sonatas he had chosen so much as—in sensitivity, insight and indeed accuracy—it shed light on three of the smaller works (early and late).

The four selections from the nine - year - old composer's *London Notebook* (written at Chelsea in 1764) had been invested with virtuoso precision and interpretative intelligence to such an extent that the modest pieces seemed to grow in stature before our ears—the third in particular (an andante in E flat made from broad paragraphs of magical repeated notes) reaching well beyond sparkling charm to profundity. It was a risk that succeeded; the music might *easily* have been crushed. The *Twelve Variations on "La belle Francoise,"* K.353 were given a dry and literal reading; but this was perfectly appropriate

Apropos the Rondo in A minor K.511, David Ward's programme note cited Mozart's unbearably poignant plea written in a younger brother's album (in English) around the time of composition: "*Don't never* forget your true and faithful friend" (a pathos not lost upon Brigid Brophy). His performance of the sad, serene, *patient* little masterpiece was again dry and cool, immensely polished; again it served the work's expressive aim, this time by infallibly clinching the quality of tragic reserve.

But in the sonatas in D (K.311) and C (K.309) Ward fell short of an exceptional level of playing. The vigorous range of contrasts in the outer movements of K.311 certainly eluded him, though his Andante was a delight (and in its focusing of subtler harmonic inflections another vindication of the Bösendorfer). The slow movement was the most fortunate too in K.309 (intended by Mozart to be a portrait of the young girl pupil who inspired the sonata).

ICA

Frances-Marie Uitti

by DOMINIC GILL

Frances-Marie Uitti is an American cellist with a Finnish name who lives in Rome. She has devoted herself in recent years almost exclusively to new music — and also to that tricky field (sometimes the cradle of real innovation, but fraught with danger and deception) of "extended instrumental technique."

It was brave of MusICA on Sunday to dedicate the whole of one of the programmes of their current series to the avant-garde solo cello; and sensitive of Miss Uitti to make her evening relatively short. *Due Studii* by the Italian composer Salvatore Sciarrino (b. 1947) were two brief studies in unusual harmonics — played spiccato, double-stopped, blurred and swooped glissando, pointed sometimes with tiny tinsel lights of melody; nicely effective, finely delivered, taut and to the point. Her performance, too, of Xenakis's *Kotos* was a great deal more accomplished than any I heard in La Rochelle in 1977, where the work had its premiere as a test-piece for the cello competition that year — though Miss Uitti has discovered a particularly excruciating sonority to be got *sul ponte* from her instrument which other cellists must surely have discovered already, but none has dared to use; at its fourth or fifth appearance it had me biting my knuckles hard.

Variazioni per Violoncello solo is Sylvano Bussotti claptrap: a pleasant enough vehicle for fantasy when Miss Uitti performs it—sexy games by candlelight are followed by a few bowed melismas, and plenty of sighs and groans—but as music, or indeed theatre, it is sheer twaddle. Miss Uitti finished the programme with *oarmo, a new* piece of her own which bore an uncomfortable resemblance to that very same genre. For nearly half an hour, she *visited* one by one the cellos on the stage, plucking, stroking, rubbing them by hand, sometimes bowing them with two bows at once—pure gimmick this, of the smallest musical interest—and drawing from them a number of other, less succinct catalogues of harmonic effects than Sciarrino's. Not even dim purple lights, and the undeniable force of Miss Uitti's own physical presence, could distract from the basic, fundamental paucity of musical gesture and thought.

Festival Hall

Perlman and Canino

by DAVID MURRAY

The violinist Itzhak Perlman appeared on Sunday with Bruno Canino, better known as one half of the Ballista-Canino piano duo, renowned as exponent of new *music*. Perlman and Canino made an interesting team too, but chiefly for the discrepancies of style and *approach between them*, for all their careful sympathy. In the event, *the* jolly Kreisler grab-bag that concluded the recital —Perlman *revelling in* honest virtuosity, Canino accompanying with self-effacing neatness —carried the greatest conviction.

Their Mozart and Ravel in the first half had sounded much edgier. Not that Perlman ever sounds edgy: his attack was strong and calmly assured as always. But even in the introduction to Mozart's B-flat Sonata K.454, he and Canino construed the turn in the first tune quite differently, and they never assumed the collective musical authority to make the performance more than merely respectful. (Mozart composed the Sonata for himself and a lady virtuoso, and it proposes boldy communicative playing) Canino's contribution remained brittle and *small-scale*.

The partnership sounded more unequal still in Ravel's Sonata, where Canino—often barely audible—crushed the semi-quavers in the first subject consistently and unstylishly, and Perlman played them as written. In the "Blues" an attractive attempt to make Ravel's jazz-borrowings explicit was compromised by a hopelessly unstable tempo; the *perpetuum mobile* finale, one of Ravel's rare failures was lent no factitious excitement.

The playing took fire occasionally in Beethoven's C minor Sonata, op. 30, no. 2. Canino allowed himself to venture into the foreground more often, to helpful effect, though his nervy rushes (there is much *brilliant* piano-writing) had a character quite distinct from Perlman's resilient spring. There were interesting *details in the Adagio*, but no cantabile flow. Altogether, the partnership had the air of a chance meeting—very polite, very cautious, palpably constrained.

Architecture

Arts and Crafts houses

by COLIN AMERY

It was Ruskin who thought that the ideal for a house was, "a cottage all of our own with its little garden, its healthy air, it clean kitchen, parlour and bedrooms." His words have somehow become the English ideal home and this had a lot to do with the work of architects who practised in England around the turn of the century. Architects like Voysey, Baillie Scott, Mackintosh and Lutyens are all well known, but there were many others who were almost as influential. Two of them, Raymond Unwin and Barry Parker, are currently the subjects of a first class exhibition at the Architectural Association, 34-36 Bedford Square, London, WC1 until March 22.

Unwin was born in 1863 and Parker in 1867 and as partners and brothers-in-law they formed a formidable team anxious to promote the ideals of the Garden City and improved housing for the working classes. They were both Fabians and active Christian socialists; they both wore homespun Isle of Man tweeds, and they were both vegetarians. Because of their moral principles, the two designers were particularly concerned with the small house, and it is this that predominates in this exhibition, covering the period 1896-1914.

The drawings show in their own cosy style all the essentials for a cottage life lived with common sense. Parker and Unwin's planning of Letchworth and later of Hampstead Garden Suburb sprang from their knowledge of houses and how people wanted to live. Living rooms with inglenooks abound and there is always the garden and usually a covered yard for the practice of crafts. The Architectural Association has reconstructed an example of a Parker and Unwin inglenook complete with hand beaten copper fittings and stained glass windows. Sitting in it immediately conveys the sense of the period and the values of order and comfort that were generally appreciated.

This exhibition is a clear demonstration of the simple arts and crafts life. It shows an inspiring level of idealism that created the Garden Cities and built the perfect small house of the early years of this century. The world of whitewashed brick, plank doors with blacksmith made latches, bare timber floors, spindly high backed chairs, no carpets and a sense in every house of clearly lit space is evocatively conveyed. It seems worlds away from the council estate ghetto and the tyranny of mass housing and system building, and yet the ideals of Parker and Unwin were responsible for the creation of organised town planning.

The high level of care and concern shown in every aspect of the drawings in this exhibition (and spelt out in the excellent catalogue) forces any visitor to ask the question, what went wrong?

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EMS back on the agenda

FOR A number of good reasons, the question of active British membership of the European Monetary System is emerging again as a real policy issua. Ministers bave for some time been seeking some positive move which Britain could make to belp the development of the EEC, to help take away the sour taste left by quarrels over tbe Budget, over lamb and fish and oil prices. Lord Carringtoo has already made some welcome moves towards a more European approacb to foreign policy, but economically Britain is still behaving more like a misfit than a member.

Smooth

Secondly, the EMS itself has worked much more smoothly in its first year than many observers, including ourselves, would hava dared to hope. This is not an unmixed benefit: convergence, which bas helped to impose realistic disciplines on some members, such as the Irish Republic, has also brought the danger of bigher inflation in Germany—a risk which the Federal authorities knowingly incurred for the sake of stability between trading partners. On balance, though, it seems clear that so far, at any rate, the preservation of a stable trading environment has been a henefit well wortb buying at the price.

This is certainly the argument wbich would most strongly appeal to British Industry. In addition to the ferocious squeeze implied by the 11 per cent appreciation of the curreocy over the past year, traders are hampered by huge uncertainties about tbe future level of the currency. It is hard to strike a price in such conditions.

When the needs of industry and of foreign policy point in the same direction, the case may appear unanswerable; but a decisiop to join would pose some difficult questions, both internationally and domestically, which must be faced before the decision Is taken, and not patched up afterwards. They involve our whole strategy for turning the North Sea to national henefit, and for controlling inflation.

As we have argued at length recently, it is essential for our long-term welfare, and indeed for our short-term competitiveness, that a good proportion of the North Sea revenues which will shortly accrue to the Government should be used for investment rather than consumption. This means a very large cut in Government borrowing; indeed, one distinguished merchant bank has argued a strong case for the total elimination of State borrowing, thus relaasing the whole flow of savings for the private sector.

In the long ruo, this is the only way to ensure that North Sea income is used to build up our capital assets, so that it will produce income for the nation long after the oil itself is exhausted. In the sbort run, however, it is likely to be seen by our trading partners as a device for running what they may regard as an un-neighbourly current account surplus. Unless there is mutual understanding on this fundamental point, we might find our membership of a closer economic grouping pushing us towards a spendthrift use of a vital once-for-all windfall. In fact our strategic needs, properly understood, match those of the whole Community; the counterpart of a current account surplus would be an outward flow of investment capital which would assist growth in the whole Community; but this case may need much patient explanation before it wins general acceptance.

Secopdly, as Ministers are already aware, membership of the EMS would mean a radical change in existing monetary policy. Monetarists are deeply suspicious of the obligation to intervene within the EMS, and the consequent weakening of monetary control. This simply reflects the fact that the EMS goes some way to create a European rather than a national monetary system, and within a unified system, there can be no separate regional money targets, any more thap the Government tries to measure the growth of M3 in Yorkshire

Problems

Finaly, there would be some difficult technical questions to face. It would be idle to prejudge these questions on the eve of the Governmept's proposals for changes in monetary control. It is epougb to say that our present methods, with their strong emphasis on long-term funding, could cause grave problems within the EMS, by distorting the large capital flows which must result from persistent OPEC surpluses. Sucb questions will have to be explored at length with our partpers if any docking manoeuvre is to go smoothly.

Devolution on trial in Spain

SPAIN'S steady re-integration into the club of Western democratic nations has so far proceeded remarkably smoothly. Much credit must go to Senor Adolfo Suarez, the Prime Minister, wbo has steered tbe country through a shoal of explosive problems, any one of which could bave upset the move to restore Parliamentary democracy and return the country to the European fold. As each prohlem is tackled, the resilience of the country's democratic structures is strengtbened. Spain is now well on the way to membership of the EEC, and possibly also of NATO.

Intractable

Recently, however, Senor Suarez's approach to one of tbe most intractable of tbese problems—regionalism—has begun to come unstuck. It is not a problem that can he solved overnight. Passions are stropg both among the "nationalists," wbo want to see the greatest possihle independence for their regions, and among those (most notably on the Right and in the Army) who want to keep Spain centralised and united. Less than 50 years ago, such tensions fuelled the drift Into civil war. In the past few months they have grown into the greatest single challenge facing Senor Snarez's Government.

Senor Suarez's initial idea was to try to defuse the strongest nationalist aspirations, in the Basque copntry and Catalonia, by offering all of Spain's regions tbat wanted it a similar degree of autonomy. The goal was a devolved, quasi-federal system united under the national Governmeot, apd the Monarchy, in Madrid. In trying to implement the policy, however, the Centre-rigbt Suarez Govarnment has probably succeeded in feeding the fires not only of regionalism, hut also of the Left.

This week's elections for the first Basque Parliament since the Civil War have been a massive rebuff for the Government. The principal victor bas heen the Basque Natiopalist Party, which, thougb less radicall than some of the groupings to its left, will now be in a powerful position to pnt pressure on Madrid for greater devolution of powers to the Basque country. The grantipg of a form of autonomy to the region has shown po sign of defusing Basque nationalist sentiment.

In Andalusia, the Government has just narrowly woo its way in a referendum that will have the effect of postponing, and diluting the devolution of power. But it bas only done sq at the expense of antagonising virtually every other political party, and providing fertile ground for the further growth of Andalusian separatism. Next week, in Catalonia, the Left is hopeful of an electoral success that would allow it to demonstrate that a coalition including Communists can effectively run one of the country's most important regions.

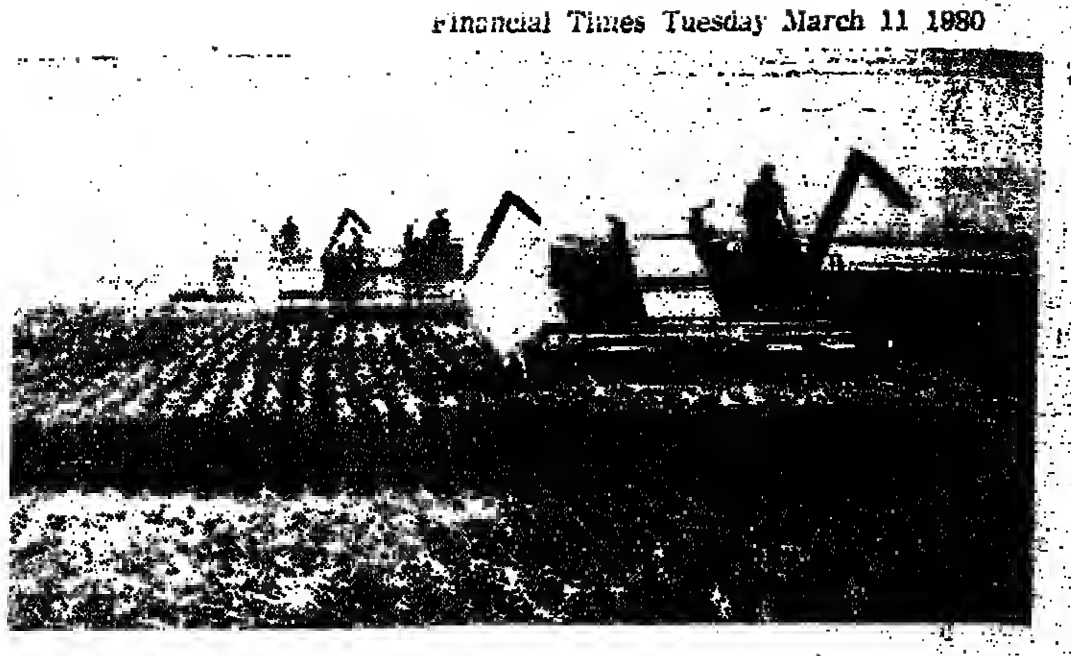
The problem is that the Government has only recently come to recognise the full lmplications of its devolution policy. It is now trying to perform a rather clumsy U-turn. Powers to be devolved to the Basques do not look nearly as importapt as they opce did, and, in Andalusia, the Government has given the impression that any degree of autonomy finally agreed will he of second class status. Tha Basques see this, in turn, as diluting the Government's whole approach to the regions.

Armed forces

Senor Suarez wants to avert the danger of the emergepce of powerful left-wing or "nationalist" regional Governments in the country's most important provinces. That would oot only undermine the authority of his own Government, but could also cause powerful under-currents in the armed forces, to whom the unity of Spain is a matter of ceptral importance. By relapsing, however, into a policy of piecemeal regionalisation, dictated by short-term political considerations, be is in danger of falling between two stools.

Other European countries, have regional problems. They know that finding the right answer is not easy. There bas been some hope that Spaio would help to show the way. It looks, however, as if Senor Suarez will have to rethink his regional strategy if he is going to keep his country on the course he has set it.

Carter's wheat embargo backfires



BY JOHN EDWARDS, Commodities Editor

THE THREAT of cutting grain supplies has ofteп been viewed as the ultimate economic weapon the U.S. has against its opponents. Tbe U.S. ia, after all, by far the world's biggest supplier of grain —tbe staple food required in increasing quantities as living standards rise. But it is now looking likely that the premature use of the "food weapon" by the U.S. against the Soviet Union is going to backfire badly.

A crucial factor, whicb the Americans can bardly have foreseen when the cutback of grain sales was announced in January, in response to the invasion of Afghanistan, was tbat very favourable weather would come to the aid of the Russians greatly improving their own barvest prospects.

At the same time the U.S. is finding it much more difficult than expected to drum up support for the emhargo from among its grain exporting allies. In addition the cost and the longer-term repercussions of disrupting the world grain trade in such a dramatic fashion, is ooly now being fully appreciated. It seems the main sufferers in the long run could be the American Government and the U.S. taxpayer, not the Russians.

One major weakness of the embargo is that the U.S. appears uncertain about wbat it wants to achieve, apart from protesting against the Russiap invasion of Afgbanistan.

Obligations pledge

It was made clear from the start that President Carter was not seeking to starve the Sovlet Union into submission. When announcing a drastic cutback of grain sales to the Soviet Union, the President emphasised that the U.S. would meet its obligations under a five-year pact negotiated with Moscow in 1975. Under this deal, whicb still has a year to run, the U.S. agreed to supply a maximum of 8m tonnes of grain to Russia each year, and the Soviet Union contracted to buying a minimum of 6m tonnes.

In fact the refusal of U.S. dockers to load ships carrying grain to Russia has held up some 3m tonnes of the 8m yet to be delivered, but the Carter Administration has made every effort to ensure they are finally shipped.

Under the grain pact between the two countries, the Soviet Union has to ask permission from Washington if it wants to buy more than 8m tonnes. Last year the Russians had a disastrous crop of 179m tonnes compared with a record barvest of 231m tonnes in 1978 and a target of 226m topnes. This left a shortfall of over 30m tonnes to be imported if Russia stuck to its plan for expanding livestock herds. In contrast with the rest of the world the U.S. had record grain crops last year and as a result beld the bulk of the surplus available. So it agreed to allow the Russians to huy an additional 17m tonnes, making a possible total of 25m tonnes, if the Rnssians took the full amount. It is this extra 17m tonnes that President Carter banned from being sold even though contracts for around 14m tonnes and possibly more had already been concluded.

It was calculated that this cut would cause the Soviet Union serious harm given the shortfall of domestic supplies. The main impact will he on Soviet livestock production, whicb has been expanding rapidly in recent years to meet the growing demand for meat and dairy products. Since the U.S. bolds most of the world's traded grain supplies, particularly feedgrains, the sbortage of feed could force the Russians to reduce livestock berds. This would bring a short-term increase in Russian meat supplies —in time for the Olympic Games—but obviously mean a longer-term setback in production reducing living standards.

Unfortuoately for the U.S. It does not seem to be working out in quite that way. On the admission of tbe U.S. Department of Agriculture only last week, the weatber in the Soviet Union has beeo unusually favourable for winter crops. Not only does this improve the likelihood of a much better harvest in the summer but It also allows cattle to be turned out onto pasture much earlier to eat grass instead of feed.

This unexpected belp, and the stretcbing of rations to allow animals to survive evep if they do not fatten as quickly, will certainly help the Soviet Union to survive the most testing period, between April-June, before the new harvest comes in; so will stocks carried over from tbe record crops in 1978, although the Russlans have notoriously bad storage facilities.

However the need for extra imports to make up for the U.S. cutback of up to 17m tonnes is of prime importapce. Cynics in the trade claim there are no political barriers to world grain dealings. They believe supplies are always obtainable if the buyer Is prepared to pay enough. There are constant rumours of grain ships bound for ooe destination heing suddenly switched elsewhere, and of "transshipments"—often through European ports—where grain changes hands many times before reaching an unidentified final buyer.

It is pot geperally realised that a huge proportion of the world's grain trade goes through Switzerland where the big shippers are hest proteced from prying eyes. Most of the multinational shippers, with no national identity, are not too concerned with the political views of buyers and sellers. They want to trade. It is not difficult to organise swap transactions whereby U.S. grain banned from going to one destination is sold to a buyer whose normal supplier can then switch his sale to the Soviet Union.

It sbould he remembered that the Russians have been eonsistent and shrewd buyers on the world grain markets for several years. The rising price of their gold and of oil means that they can afford to pay and offer a potentially good outlet for the future bearing in mind that they will intensify efforts to avoid buying from the U.S. lo the years abead.

Nevertheless for the moment, the success of the U.S. embargo depends to a large extent op whether alternative grain suppliers can he persuaded to cooperate. Tbe U.S. is finding out that the support of its political allies does not count for too mucb when mopey and trade is involved. The best it has been able to achieve is a vague promise from other exporters not to take advantage of the situation.

Already its two stannchest initial supporters for tbe embargo—Australia and Canada —are showing signs of having second thoughts. Canada only this week announced a 2m tonnes sale to the Soviet Union. It claimed this was just a cootinuation of normal trade with Russia and was not taking advaptage of the U.S. withdrawal as a supplier. But It was a new deal pegotiated at the expiration of a longer term agreement. (Australia too has warnad that it may have to reconsider its position at the start of the next seasop in order to ensure that its grain exports are maintained.)

As usual the EEC position is clouded with confusion. Although the Commission has re-zoned grain export areas in order to make sure the Soviet Union does not receive heavily subsidised sales, it is freely admitted that shipments to eastero European satellite countries could well "leak" into Russia or at least reduce the amonnt the Russians normally supply to their fellow members of Comecon. The EEC, in fact, has not exported grain to the Soviet Union for nearly six years. Ironically, this was because of an informal gentlemen's agreement with the U.S. that the EEC would avoid heavily-subsidlsed grain exports going to traditional American markets. The voluntary cutback of U.S. sales, of course, means that the Americans can hardly claim Russia as a traditional market in tbe future. France is known to be interested in filling that gap in the years ahead.

Other countries bave been even more half-hearted in their support. Argentina, which is the world's second biggest exporter of feedgrains, has made no secret of the fact that it intends to continue supplying Russia with as much as it can.

Argentinian grain is now fetching premium prices following increased sales to Russla, wbich might have been larger but for drought. Brazil too has said it will he selling what soyaheans the Russians require.

In these circumstances it is going to be difficult for other grain exporting countries, sucb as Australia apd Canada, to stand idly by, particularly as the U.S. is attempting to step up its grain exports elsewbere—to make up for the loss of sales to Russia.

What is worrying all grain exporting countries, including the U.S., is bow prices will fare as a result of the embargo. The U.S. Government in order to placate its farmers and rescue the giant grain merchants from bankruptcy has bought up the supplies originally destined for Russia. They have been effectively removed from the market. The short-term influence bas been to hold up world prices. There is, after all, an eager buyer in the Soviet Union scouring the world for any surplus grain evailable.

However it is the case that the presence of a huge surplus, however tightly it may be held, always depresses commodity markets. Buyers, knowing that there is no chance of a shortage, are tempted to cut back stocks and let the producers carry the heavy cost of storage.

The cost to the U.S. Government, and ultimately tbe taxpayer, is already enormous and will become an increasingly heavy burden. First there is the actual cost of huying at about $200 per tonne, and storing, some 14m toones of wheat and maize. In addition there is the loss of export earoings, estimated by one grain trade source to be as high as $8bn.

Then tbere is the cost of maintaining guaranteed prices for farmers—an important priority in election year. The cost of these support prices is depepdent on wbether the present firm undertone in the grain markets cap be maintained. If it cannot, as many grain traders believe, the U.S. Administration could be faced with a huge bill to pay its farmers.

The Administration has said it will keep 4m tonnes back as ap emergency reserve durIpg periods of world shortages and high prices. But this is really only calling surplus stocks by another name. The grain is known to be there and will have to be disposed of eventually. Another course proposed in Washingtoo is to step up plans to convert grain into gasobol as part of the overall programme to obtain new sources of energy. But that capnot be done overnight. Indeed many experts question wbether It is worth doing, since there is a danger that more energy is put into producing gasohol than it provides. The effect is that huge sums of money are having to be diverted to the agricultural sector to counterbalance the effects of the embargo.

It is hard to assess the total cost. But grain sales normally account for over 70 per cent of U.S. agricultural exports which were projected to reach a record $35bn this season. The U.S. Department of Agriculture still expects farm exports to be a record this year, but obviously the figure will be much reduced and there must be even more concern about the future trend.

By its action the U.S. may well have totally changed the structure of the world grain trade. Countries previously dependent on American grain imports are looking at alternative sources, or boosting domestic output, just in case. The U.S. has not only deeply offended its biggest single customer—the Soviet Union—it has also probably reduced its chances of expanding grain exports elsewhere.

Reliability factor

A dangerous precedent has been set. At one time breaking sales commitments was mainly confined to politically unstable "banana" republics. Now it has been done by the richest and most powerful country in tbe world. This has raised doubts among potential buyers about the U.S. as a reliable supplier. It is one thing to cut soyabean exports, as happened in 1973, because of a poor crop, but quite another to cite a political motive, whatever it might be.

World trade in commodities is very dependept on the sanctity of contracts being honoured. Otherwise it falls apart. Any country will think twice of relying op U.S. supplies, wbatever ipducements may be offered. It could well mean the deathknell of the previous U.S. policy of building up farm exports as a means of achieving a form of dependence —a policy that appeared to be working well with Russia.

In domestic political terms the embargo appears to have worked in President Carter's favour. U.S. farmers, despite their doubts, have so far shown that patriotism comes first by backing the Presidept at the Iowa primary election. The American public has supported his hard line. But memories are short. There is no doubt that the U.S. will remain the world's biggest exporter of grain, since it has the climate and production efficiency. But there must be some concern that the "bushel of grain for a barrel of oil" philosophy will he effectively killed if the result of the embargo appears to be that President Carter has sacrificed U.S. dominance in world grain markets for political reasons.

WORLD GRAIN SUPPLY AND DEMAND

(estimates for 1979/80 before U.S. embargo)

WHEAT (million tons of wheat equivalent)		FEED GRAINS (million tonnes)	
World Total Trade	76.0	World Total Trade	101.0
EXPORTS		EXPORTS	
US	35.5	US	71.2
Canada	14.0	Argentina	9.6
European Community	7.5	Western Europe	5.6
Australia	11.5	Canada	4.3
Argentina	3.5	South Africa	2.1
USSR	0.5	Australia	3.5
Others	3.5	Thailand	2.3
		Others	1.4
IMPORTS		IMPORTS	
Far East	24.0	Western Europe	24.9
Africa	12.9	Japan	18.3
South America	7.0	Eastern Europe	10.4
Western Europe	7.5	USSR	21.0
Middle East	7.0	China	2.5
USSR	9.0	Others	23.9
Eastern Europe	5.0		
Others	3.6		

Sources: Imports—International Wheat Council; Exports—U.S. Department of Agriculture

MEN AND MATTERS

Chasing shadows in dockland

WITH THE axe falling all over Quangoland, I would have thought there was no shortage of experienced heads ready to pop on to the shoulders of the new quasi-autonomous bodies being set up to revivify the docklands of London and Liverpool. But the Department of the Environment, charged with filling the vacancies, appaars to be by-passing the old-hoy circuit and has this week launcbed ao intensive national advertising campaign.

It wants two chief executives —paragons would be a better word — for its Docklands Urban Development Corporation projeets op the Rivers Thames and Mersey. "They will be fair old gems," quips my informant, "well-versed in top-level admipistration, promotion, local and national politics and high finance." They must also be prepared to spend the first months as "shadows" because their posts will not take on substance uptil the Local Government Bill under wblch the Corporation is established becomes law, probably in the summer.

They will, bowever, be paid salaries of substance and the man who takes charge of the 5,500 acres in London (and, incidentally, the hostile local authorities of the area) will be paid something like £25,000. Acre for acre, the man in charge of Merseyaide's 1,000 acres will be better off with around £20,000 a year.

Ideally, I am told, the appointee will have all the attributes of a chief executive from a new town or some local authority; he will also possess the skills of a top-rank accountant, property manager, merchant banker, pension fund and unit trust manager.

If and when these supermen are takeo on, the Corporation chairmen who have tbe last word on the appointments, Nigel Broackes of Trafalgar House and Leslie Young of Bibby, will bave an early opportunity to see if they have made tbe right choice. Whila the Government is prepared to prime tbe pumps with cash for salaries apd establishment costs, the first task for the new men will be to set off for the City and Whitehall to round up the vast borrowipgs and grants they will need to get tbeir ambitious production on the road.

"Confounded child chars—now he won't come down until he gets a rise."

Coach party

It is admittedly a small step, but at least it is in the rigbt direction—today sees a third coachload of unemployed engineering workers from the north making their way to unfilled jobs down south.

Organised and financed by the Manpower Services Commission, the two trips of last year had a reasonable success. 49 workers who came down from South Shields, 29 took jobs in Kings Lynn, and another dozen made their way to tbe Fens under their own steam, and also found jobs. A sortie from Kilmarnock to Medway had a more limited success.

"The big stumbling block to doing this on a larger scale is housing," says an MSC spokesman. "But we have beep having talks witb local authorities over the past conple of years, and one or two have agreed to put housing aside for incoming workers."

Inevitably, most local councils are not in a position to be over-generous to anyone, least of all newcomers to the area.

Today's trip is of 30 maintenance fitters from Merseyside to Berkshire, where skilled job vacancies have remained unfilled for months. Some Defence Ministry and development corporation housing is available, but as the MSC admits, private bousing in the Thames Valley is a good 50 per cent more expensive than in the North: "In Reading there is nothing under £17,000, and anything at £18,000 would be fairly modest."

Such simple arithmetic stands between many of Britain's 110,000 skilled but jobless engineers and vacancies estimated to number—nationally—between 130,000 and 200,000.

All at sea

Admiral Griffin, chairman of British sbipbuilders, remained cool and silent on the bridge at his London headquarters yesterday while down in the lobby Christopher Bailey, chairman of Bristol Cbannel Ship Repairs seethed with rage. "I will sit here all afternoop, all night and all tomorrow if necessary until I see him," he blazed down my telephone. Accusing the Admiral of lack of manners, courage and "commercial nous," the frustrated Bailey, popularly dubbed Blackbeard, thus announced to me his intention to atage a "sit in."

He explained how be had flown in from the U.S. apd called up his crew from Cardiff with the aim of putting to Griffin his plans for buying Falmouth Docks, a deal which has been in tbe air for some months. He was met at the door however, with a message that the Admiral would not see him, and presented with a copy of a telex sent to his company at 1 pm yesterday.

The main reason for cancellation of the 4 pm appointment, BS said, was that Bailey had not supplied the Admiral with an outline of his offer as requested. He remembered the request clearly from a telepbone chat. "Tbe Admiral said it would be helpful if I could give bim the gist so that he could 'crank it along a hit'—I remember the expression clearly—but I did not say I would."

The message also pointed out that Falmouth was not on the market, hut that served only to beigbten the frustrated bidder's ire. "If that is the case, wby the hell didn't he tell me when I set the meeting up in February," be stormed.

One-hander

I see that Professor Patrick Minford is succeeding bis old chum from the short-list of would-be chief economic advisers to the Treasury, Professor Terry Burns — wbo got the job — as economic consultant to stockbrokers Laurie Milbank.

Minford made his debut at a Laurie Milbank-organised seminar on tbe gilt-edged market yesterday. He reaffirmed his allegiance to the monetarist creed, in particular about the need to slasb the PSBR. "His views came in for some criticism," conceded John Wilmott of Laurie Milbank.

Minford is jokingly described by those wbo disagree witb him as a map who makes Milton Friedman sound like a Keynsian. But it would probably be fairer to recall the request of J. F. Kennedy for "a one-handed economist — one wbo doesn't keep saying 'on the one hand, on the other hand'." Minford would bave fitted the specification very well.

Good intentions

Cnstomer to stallholder in Lambeth: "These socks are marked 'shrink-resistant.' What exactly does that mean?"

Stallholder: "Well, love. It means they do sbrink, but they don't really want to."

Observer

هكذا من الأصل

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS At 24th FEBRUARY 1980

The Association of International Bond Dealers (AIBD) compiles current market quotations and yields for Eurobond issues. These quotations and yields are published monthly by the *Financial Time*. The Association's prices and yields are compiled from quotations obtained from market-makers on the last working day of each month. There is no single stock exchange for *Eurobonds* in the usually recognised sense—secondary market trading business is done on the telephone between dealers scattered across the world's major financial centres. *Membership of the AIBD* (which was established in 1969) comprises over 550 institutions from about *30 countries*.

Eurobonds in February

BY PETER MONTAGNON

THE GLOOM and despondency expressed by dealers in the Eurobond market at the end of January turned out to ba mora than justified as February wore on.

With the U.S. discount rate raised to a record 13 per cent and Federal Funds climbing 1¾ points to 14¾ per cent over the month the dollar sector witnessed one of its worst shake-outs in memory.

The movement of interest rates was, of course, only a *reflection of the worsening out*look for inflation in the U.S. Consumer prices rose 1.4 per cent in January bringing the year-on-year gain to 13.9 per cent.

Indications from the wholesale front—where prices moved up 1.6 per cent in January—were that worse was yet to come. *This feeling was further* heightened by a somewhat belated market realisation of the inflationary implications of the Government's decision to increase defence spending.

At the same time the domestic U.S. market was forced to digest an exceptionally large Treasury refunding operation involving $7.25bn in notes and bonds. It balked, prices of domestic bonds plunged, and Eurobonds were dragged down with them.

The panic atmosphere was exacerbated by a speech from Dr. Henry Kaufman, partner of Salomon Brothers, who said inflation had reached a pitch where the Government should declare a national emergency and put forward an economic package including controls on wages and prices as well as the dollar.

It was thus inevitable that dollar Eurobond yields should climb sharply during the month. The Quebec Hydro $75m issue due 1999, for example, was quoted at 67⅞ at the month's end compared with 79⅜ a month earlier. It's yield rose from *12.89 per cent to 15.33 per cent.*

Another longer dated issue to show sharp movement was the European Investment Bank's $100m loan due in 1999. This shed 8¾ points over the month *to finish* at 73¼ for a yield increase of 1.7 points to 14.72.

On February 20 this issue shed 4¾ points in a single day to close at its low for the month of 73. *With prices as volatile* as this it was natural that spreads should widen and the volume of business contract.

But the leading market makers resisted the idea that the market was crumbling. Good profits were there for dealers who were short and quick to take advantage of arbitrage possibilities, they said.

By the end of the month the situation had calmed somewhat. Indeed, in the last week of February prices actually managed to recoup a very modest ½ point of the losses sustained earlier.

The market was drained of energy, however, and activity remained low with most business confined to swapping. Some bond houses were able to take advantage of yield disparities for their clients but virtually no new money was entering the market.

As February drew to a close it was equally clear that problems were emerging for the hard currency sectors of the market. In spite of one point increases in both the German and Swiss discount rates, interest rates on D-Marks and Swiss francs were still very substantially below those on dollars. This was attracting funds out of those currencies and into the U.S. with severe consequences for the capital markets.

Secondary market yields in both sectors thus increased markedly during the month. Those on D-Mark foreign bonds were up about 1.07 points to 9.35 per cent and those on Swiss francs about 0.64 points to 6.8 per cent.

The movement in prices, particularly towards the end of the month, made it difficult to fix conditions for new issues, and in both sectors there were some last minute changes of terms or postponements.

At the end of February new Issues in D-Marks were carrying coupons of 8¾ per cent to yield between 8.73 and 8.79—the highest yields seen in the primary market for three years. This compares with coupons of between 8 and 8½ per cent a month earlier.

Meanwhile new issue activity showed signs of slowing down. The German Capital Markets sub-committee fixed a new issue calendar of DM 580m for March, the smallest amount in three months. In February it was DM 740m while in the four *weeks to January 25 a record* amount of DM 1.1bn of new issues were floated.

Volatility in the Swiss secondary market was by and large greater than even the German market during the closing days of the month. Yields actually declined somewhat during the first three weeks of the month but they rose steeply at the end with foreign bonds posting losses of some four points in the last week of February.

In these circumstances the coupons on two new SwFr 100m issues, for Norges Kommunalbank at 5¾ and for Oesterreichische Kontrollbank at 5¾ respectively, had to be raised to 6 per cent to stay in line with the market. This coupon level compares to rates closer to 5½ per cent at the start of the month.

With the gyrations of interest rates upsetting the market for straight bonds there was some measure of stability in the dollar Floating Rate Note sector. Here prices held up fairly well, weakening by only ½ point in the third week of February when the straight dollar Eurobond market was under greatest pressure.

In this sector interest was shown particularly in bonds for which new coupons were about to be fixed, but as rates became progressively higher prices tended to suffer immediately after the fixing. The last two coupons to be fixed in February, for the $25m Bergen Bank issue due 1989 and the $75m Standard Chartered issue due 1990, were at a record 17¼ per cent.

Elsewhere another international bond denominated in special drawing rights was announced during February. It is a SDR 15m issue for Svenska Handelsbanken being arranged through Kuwait International Investment. This loan has a life of five years and yields 11 per cent.

CONTENTS

The table of quotations and yields gives the latest rates available on 29th February, 1980. This information is from reports fro mofficial and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members will trade in all the listed Eurobonds and the Association, its members and the *Financial Times Limited* do not accept any responsibility for errors in the table.

COMPILED FOR THE ASSOCIATION OF INTERNATIONAL BOND DEALERS BY INTERBOND SERVICES LTD. ★ *A subsidiary of data STREAM International*

Issued Est. Out (Mio)	Year of Issue Issue Price	Borrower/ Coupon Maturity	Price	Life/ Average Life	Yield to Maturity/ Yld. to Avge. Life	Current Yield	Yield to Next Call/ Next Call Price	Call Not. (Days)/ Next Call Date	Next S/F Amount (Mio)/ First S/F Date
		US DOLLARS—ALGERIA							
25	1977 100.00	BQUE EXT D'ALGERIE 9.80 15/ 8/1982	88	2.46	15.11	10.23	101	30 1980	1.00 DF1978
		US DOLLARS—ARGENTINA							
50	1979* 98.50	ARGENTINE REPUBLIC 9.875 1/ 8/1984	78	4.42	17.33	12.66			
		US DOLLARS—AUSTRALIA							
30 3.8	1963 97.50	AUSTRALIA, COMMONWEALTH 5.00 1/ 4/1983 S	90 3/4	3.08 1.59	8.65 11.85	5.59	100 1/2	50 1980	.83 1965
25 .7	1960 97.50	AUSTRALIA, COMMONWEALTH 5.15 13/ 4/1980 S	95 3/4	.12	46.00	5.56	100	30 1980	.70 1962
15 1.6	1960 98.00	AUSTRALIA, COMMONWEALTH 5.25 1/10/1980 S	92 1/4	.59 .34	20.70 33.05	5.77	100	30 1980	.67 1962
25 2.0	1961 97.00	AUSTRALIA, COMMONWEALTH 5.50 1/ 7/1981 S	92 1/2	1.31 .84	12.47 17.82	6.03	100	30 1980	.68 1963
30 3.3	1962 98.15	AUSTRALIA, COMMONWEALTH 5.50 13/ 1/1982 S	90 7/8	1.88 1.13	11.89 16.39	6.14	100	30 1980	.01 1964
30 4.2	1962 97.50	AUSTRALIA, COMMONWEALTH 5.50 1/ 7/1982 S	90 7/8	2.33 1.34	10.21 13.55	6.14	100	30 1980	.83 1965
25 4.2	1962 99.00	AUSTRALIA, COMMONWEALTH 5.30 1/10/1982 S	90 1/2	2.59 1.34	9.97 13.92	6.17	100	30 1980	.69 1965
25 8.3	1965 98.50	AUSTRALIA, COMMONWEALTH 5.50 1/ 5/1985 S	85 3/4	5.17 2.67	8.38 10.70	6.29	101	30 1980	1.39 1960
25 8.3	1965 99.73	AUSTRALIA, COMMONWEALTH 5.75 1/11/1985 S	88 3/4	5.67 3.18	8.44 10.21	6.58	101 1/2	30 1980	1.39 1960
25 9.6	1967 97.50	AUSTRALIA, COMMONWEALTH 6.50 15/ 6/1982	88 3/8	2.29 1.79	11.47 12.69	7.19	100 1/2	30 1980	1.56 1970
100	1977 100.00	AUSTRALIA, COMMONWEALTH 7.50 1/ 9/1984	78 1/4	4.50	14.34	9.50	101 1/2	90C 1981	
350	1978 100.00	AUSTRALIA, COMMONWEALTH 8.00 1/ 4/1982	88	2.08	13.09	9.09			
125	1970 99.88	AUSTRALIA, COMMONWEALTH 8.113 15/11/1983 S	83 1/8	3.71	14.55	10.00	100	50 1982	
75	1976 100.00	AUSTRALIA, COMMONWEALTH 8.25 1/ 6/1981 S	92 1/4	1.25	15.81	9.14			
120	1976 100.00	AUSTRALIA, COMMONWEALTH 8.25 1/10/1983	83 3/4	3.59	14.30	9.85	101 1/2	90C 1980	
125	1977 100.00	AUSTRALIA, COMMONWEALTH 8.25 1/11/1984 S	80 5/8	4.75	14.44	10.49	100	30 1983	
150 150.0	1977 100.00	AUSTRALIA, COMMONWEALTH 8.25 1/ 9/1992	68 1/4	12.50 8.45	15.66 13.12	12.09	13.22 103 1/2	90C 1988	7.50 1983
50	1975 100.00	AUSTRALIA, COMMONWEALTH 8.45 15/ 6/1980 S	97 7/8	.29	16.62	8.62			
175	1978 100.00	AUSTRALIA, COMMONWEALTH 8.63 1/ 6/1983 S	85 5/8	3.25	14.59	10.13			
120	1976 100.00	AUSTRALIA, COMMONWEALTH 8.50 1/10/1986	76 5/8	6.59	14.15	11.09	101 1/2	90C 1982	
50	1975 100.00	AUSTRALIA, COMMONWEALTH 8.75 15/ 6/1983 S	86 1/2	3.29	14.48	10.57	100	30 1982	
50	1976 99.63	AUSTRALIA, COMMONWEALTH 8.75 1/ 6/1986 S	79 5/8	6.25	14.24	11.33	100	50 1984	
00 00.0	1976 99.50	AUSTRALIA, COMMONWEALTH 8.75 1/10/1991	73 1/4	11.59 7.54	13.40 14.85	11.95	14.97 101 1/2	90C 1987	3.00 1982
100 100.8	1977 98.89	AUSTRALIA, COMMONWEALTH 8.875 1/12/1997 S	88 1/2	17.75 10.77	14.08 13.15	13.30	15.08 102.28	30 1989	6.05 1983
75 75.0	1970 99.50	AUSTRALIA, COMMONWEALTH 9.00 15/11/1996 S	70 1/4	16.71 9.71	13.99 15.43	13.22	14.86 101	30 1991	3.00 1982
75 75.0	1978 99.63	AUSTRALIA, COMMONWEALTH 9.125 1/ 6/1993 S	75	13.25 9.29	14.02 13.62	12.09	15.84 102.02	30 1988	8.13 SI1985
75 75.0	1976 98.50	AUSTRALIA, COMMONWEALTH 9.125 1/ 6/1996 S	71 1/4	16.25 9.45	13.99 13.43	13.22	14.90 100.00	30 1991	5.75 1980
25 19.5	1975 99.00	PAPUA NEW GUINEA, GOVT OF 9.50 15/ 3/1983	91	3.04 2.12	13.27 14.75	10.44	100	45C 1981	2.50 DF1974
25	1977 100.50	ALCAN AUSTRALIA 8.50 15/ 4/1989	69 3/8	9.12	14.82	12.13	101 1/2	45 1985	.75 DF1979
60	1979* 100.00	ALCOA OF AUSTRALIA 10.00 15/ 8/1989	78 1/8	9.29	14.38	12.80	103 1/2	30 1984	1.50 DF1980
25 12.5	1974 100.00	AUSTRALIAN IND DEVT CORP 10.25 1/12/1981	94 3/4	1.75 1.15	13.73 15.17	10.82	100 1/4	30 1980	6.13 1978
40 40.0	1977 100.00	AUSTRALIAN MIN & SMELT'G 9.13 15/ 6/1992	68 3/4	12.29 4.70	14.91 10.00	13.43	101	30 1983	1.80 DF1980
10	1977 100.30	AUSTRALIAN RESOURCES 8.25 1/12/1982	84 1/2	2.75	15.53	9.76	100	90 1981	
30	1975 99.50	AUSTRALIAN RESOURCES 9.13 1/ 8/1980	97 3/8	.42	13.72	9.38	100	30 1980	
30 25.2	1975 100.00	AUSTRALIAN RESOURCES 9.50 1/ 3/1983	87 3/4	3.00 2.71	14.84 15.40	10.83	100 1/4	30 1980	1.20 DF1976
30	1979* 99.50	AUSTRALIAN RESOURCES 9.613 1/ 8/1984	84 1/2	4.42	14.57	11.39	100	45 1983	
42	1976 99.50	AUSTRALIAN SHIP COMM F 8.25 1/ 9/1983	88 1/2	3.50	12.45	9.32	101 1/2	90C 1980	
30	1977 99.50	BROKEN HILL PROPS 8.00 1/ 4/1985	77 7/8	5.08	14.42	10.27	101 1/2	90C 1982	
30 30.0	1977 99.00	BROKEN HILL PROPS 8.25 1/ 4/1989	72	9.08 7.38	15.64 14.59	11.46	101 1/2	90C 1986	7.50 1986
30	1975 100.00	BROKEN HILL PROPS 9.50 1/ 5/1981	94 5/8	1.17	14.99	10.07	100 1/2	30 1980	
20 16.7	1975 98.50	BROKEN HILL PROPS 10.00 1/ 5/1990	85	10.17 4.87	12.69 13.47	11.70	100 3/8	30 1985	1.00 DF1976
20 13.0	1970 98.50	COMALCO INV EUROPE 9.50 1/11/1985	84 3/4	5.67 3.36	13.40 13.44	13.21	100 1/4	30 1980	2.00 DF1971
25 14.5	1975 100.00	COMALCO LTD 10.00 1/ 4/1987	85 3/4	7.00 4.96	13.21 14.19	11.66	100 1/4	30 1982	1.50 DF1976
40 40.0	1979* 100.00	COMALCO INV EUROPE 10.13 15/ 7/1991	77 5/8	11.37 8.50	14.32 15.05	13.10	103 3/4	30 1982	3.50 DF1983
15	1975 100.00	CSR LIMITED 9.50 15/ 7/1980	97 1/2	.37	10.35	9.74	100 1/2	45 1980	
40 34.0	1976 100.00	HAMERSLEY HOLDINGS 8.50 1/ 1/1984	82 1/8	3.84 3.53	14.92 15.44	10.35	100 1/2	30 1981	1.80 DF1978
40 38.0	1976 100.00	HAMERSLEY HOLDINGS 9.50 1/ 1/1992	69 1/4	11.84 8.01	13.25 16.10	13.72	100 3/4	30 1985	1.00 DF1979
13 10.5	1972 100.00	HAMERSLEY IRON FIN 8.00 15/11/1987	79	7.71 4.92	11.36 14.16	10.15	100 1/4	30 1980	1.25 DF1975
20 13.5	1971 99.50	HAMERSLEY IRON FIN 9.00 1/ 5/1986	85	6.17 5.68	13.42 14.54	10.59	100 1/4	30 1980	1.00 DF1972
		US DOLLARS—AUSTRALIA (CONTINUED)							
20 17.0	1970 97.00	HAMERSLEY IRON FIN 9.50 1/ 9/1985	85 1/2	5.50 3.10	13.14 15.55	11.11	100 1/4	30 1980	2.00 DF1971
55 28.0	1975 100.00	HAMERSLEY IRON FIN 10.00 1/ 6/1982	92 1/2	2.25 2.11	14.04 14.32	10.81	100 1/2	30 1980	1.40 DF1970
23 20.7	1972 99.75	K MART(AUST)PROPERTIES 7.75 15/ 9/1984	80 1/2	4.54 4.56	11.76 13.99	9.63			.35 DF1973
36 34.7	1976 99.50	K MART(AUST)FIN 9.00 1/10/1986	82 1/2	6.59 5.99	13.11 13.42	10.91			.50 DF1977
25 17.5	1971 100.00	MOUNT ISA FIN 8.75 15/11/1986	80 1/4	6.71 4.34	13.36 15.19	10.90	101	30 1980	1.50 DF1974
10	1975 100.00	TNT INTL FIN WW 9.00 1/ 7/1983	94	3.33	11.21	9.57	101 1/2	60C 1980	
10	1976 100.00	TNT INTL FIN XW 9.00 1/ 7/1983	83	3.33	15.89	10.84	101 1/2	60 1980	
20 20.0	1977 100.00	TNT OVERSEAS FIN 9.00 15/ 8/1987	77 1/2	7.46 5.56	14.02 15.15	11.61	101 1/2	60 1982	1.00 1981
50 50.0	1977 100.00	WESTERN MINING CORP 9.00 15/10/1992	80 5/8	12.62 9.28	14.54 15.59	15.11	101 1/2	45 1985	3.13 DF1980
19 12.0	1975 99.00	WESTERN MINING CORP 9.75 1/ 5/1982	91 5/8	2.17 1.98	14.61 15.10	10.67	100 1/2	30 1980	.75 DF1976
		US DOLLARS—AUSTRIA							
18 4.8	1964 99.00	AUSTRIA, REPUBLIC OF 6.00 31/ 1/1984 S	96 3/8	3.92 2.42	7.20 7.81	6.32	100	90C 1980	1.20 1970
23 5.9	1967 96.50	AUSTRIA, REPUBLIC OF 6.75 15/ 3/1982 S	95 7/8	2.04 1.09	9.20 11.14	7.16	101	90C 1980	1.85 1971
30	1977 100.00	AUSTRIA, REPUBLIC OF 7.00 15/ 7/1984 S	79 3/4	4.37	14.66	10.82	100	30 1983	
50 50.0	1977 100.00	AUSTRIA, REPUBLIC OF 8.025 15/ 7/1992 S	70 5/8	12.37 7.07	14.05 15.70	12.59	16.32 101.99	30 1987	5.00 DF1983
50 41.0	1976 100.00	AUSTRIA, REPUBLIC OF 8.75 15/ 8/1988	76 5/8	8.46 6.65	12.98 15.32	11.46	101 1/2	30C 1983	2.00 DF1977
50	1975 100.00	AUSTRIA, REPUBLIC OF 9.00 15/ 7/1982 S	88 1/8	2.37	13.69	10.47			
12 6.0	1963 97.00	ALPINE MONTAN STEEL 5.75 15/10/1985	90 7/8	5.29 2.95	7.92 9.43	6.33	100	180C 1981	.87 1971
13 6.3	1966 96.50	AUSTRIAN ELECTRICITY 6.013 1/ 7/1986 S	96 1/4	6.33 3.33	7.51 8.08	7.00	100 1/2	90C 1980	.90 1969
18 4.1	1967 96.50	AUSTRIAN ELECTRICITY 6.75 1/10/1982 S	96 3/4	2.39 1.39	8.13 9.10	7.10	100 1/2	30 1980	1.39 1970
50	1977 100.15	OSTERREICHE KONTROLLBANK 7.00 1/10/1980	95 1/4	.59	15.83	7.35			
50	1977 100.50	OSTERREICHE KONTROLLBANK 7.50 1/10/1982	85	2.59	14.83	8.82			
50	1976 100.00	OSTERREICHE KONTROLLBANK 8.00 1/10/1981 S	90 1/8	1.59	15.79	9.87			
30 30.0	1977 100.50	TAUERNAUTOBAHN 8.25 15/ 3/1987	76 1/2	7.04 5.54	13.64 14.76	10.78	101	60 1981	3.00 DF1983
		US DOLLARS—BELGIUM							
75 75.0	1973 100.00	MAFINA B.V. WW 4.50 1/ 7/1986	90 1/2	6.33 3.94	5.98 6.46	4.97	102	50 1984	15.00 1984
75 75.0	1973 100.00	MAFINA B.V. XW 4.50 1/ 7/1988	72 3/4	8.35 5.96	9.15 10.96	6.19	102	50 1984	15.00 1984
40	1977 99.50	MAFINA B.V. F 7.875 15/ 9/1984	79 1/2	4.54	16.27	9.91	101	1982	
40 40.0	1977 99.00	MAFINA B.V. 8.00 1/ 9/1987	75 1/2	7.50 5.50	15.34 14.77	10.60	101 1/2	1981	8.00 1983
50	1976 100.50	SOC NAT DE CREDIT IND F 8.25 15/10/1981	90 1/2	1.62	15.17	9.12			
15	1977 100.00	SOLVAY FINANCE 7.75 1/ 3/1984	78 1/4	4.00	15.32	9.87			
		US DOLLARS—BOLIVIA							
13	1977 100.00	BOLIVIA, REPUBLIC OF L 10.25 15/ 4/1982 S	86	2.12	15.33	15.27			1.50 DF1978
		US DOLLARS—BRAZIL							
55 21.2	1972 99.50	BRAZIL, REPUBLIC OF 8.13 1/12/1987 S	79 1/2	7.75 4.02	12.83 13.83	10.65	102	50 1982	1.32 1973
85	1977 100.00	BRAZIL, REPUBLIC OF 9.00 1/ 8/1982 S	85 5/8	2.41	17.09	10.79			
75	1976 99.00	BRAZIL, REPUBLIC OF 9.25 1/ 1/1984	83 1/2	5.84	15.20	15.08	101 1/2	90C 1981	2.50 DF1977
30	1976 100.00	BRAZIL, REPUBLIC OF 10.00 15/ 5/1986 S	92 1/4	6.21	12.15	11.13			2.50 DF1977
50	1977 99.00	BANCO NAC DO DESEN ECON 9.13 1/ 7/1984	80 1/6	4.55	15.88	15.54	101 1/2	90C 1981	
50	1977 100.00	LIGHT-SERVICOS DE ELET 9.00 1/10/1982	85	2.59	16.45	10.59			
		US DOLLARS—CANADA							
250	1976 100.20	CANADA 8.00 1/ 4/1983 S	85 5/8	3.08	14.47	9.59			
250	1978 100.00	CANADA 8.20 1/10/1985 S	70 1/4	5.59	14.41	10.75	100	30 1984	
250	1970 99.73	CANADA 8.625 1/ 4/1998 S	66 1/4	18.08	13.74	13.04	103 1/2	30 1988	
400	1970 100.00	CANADA 9.00 15/10/1983 S	86 1/4	3.62	14.43	10.71			
350	1970 100.00	CANADA 9.25 15/10/1998 S	71 3/4	18.62	15.85	13.11	103.01	30 1988	
50 46.7	1974 100.30	ALUMINUM CO OF CANADA 9.50 15/ 4/1988	85 1/4	8.12 5.84	12.48 13.29	11.14	101 1/2	30 1982	1.67 DF1978
20 10.2	1976 100.00	AVCO FIN SERV-CANADA 9.25 15/ 9/1983	86 1/4	3.54 2.45	14.41 16.42	10.72	100	30 1981	.60 DF1978
100	1977 100.00	BELL-CANADA 7.75 1/ 5/1997	72 1/2	7.17	14.06	10.69	100 1/2	30 1983	
60	1976 100.75	BELL-CANADA 8.75 15/ 7/1986	78 7/8	6.37	15.83	13.09	100 1/2	30 1982	
200	1976 99.25	BELL-CANADA 8.75 1/ 4/2006 S	65 3/8	26.08	14.00	13.83	103.20	30 1991	
200	1978 100.00	BELL-CANADA 9.00 15/ 1/2008 S	67 7/8	27.88	15.88	13.70	103.60	30 1993	
20 15.5	1972 100.00	BRASCAN INT 8.25 1/10/1987	80 3/4	7.59 4.57	11.17 14.22	10.22	102	90 1980	1.00 1975
30	1976 100.00	BRASCAN INT 9.75 1/ 5/1982	89 1/2	2.17	15.77	10.89			2.00 DF1977

US DOLLARS—CANADA (CONTINUED)

[illegible]

US DOLLARS—CANADA (CONTINUED)

[illegible]

US DOLLARS—CANADA (CONTINUED)

[illegible]

US DOLLARS—FINLAND (CONTINUED)

[illegible]

US DOLLARS—FRANCE (CONTINUED)

[illegible]

US DOLLARS—EUROPEAN (CONTINUED)

[illegible]

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Issued Amt. O/S (Mio)	Year of Issue/ Issue Price	Borrower/ Coupon/Maturity		Price	Life/ Average Life	Yield to Maturity/ to Av. Life	Current Yield	Yield to Next Call/ Next Call Price	Call Amt (Mio)/ Next Call Date	Next S/F Amount (Mio)/ First S/F Date
		US DOLLARS–JAPAN (CONTINUED)								
30	1978 / 99.50	HITACHI SHIPBUILDING / 8.50 1/ 3/1983		85 3/4	3.00	14.70	9.91	101	30 / 1981	
30 / 4.8	1969 / 98.50	HONDA MOTOR / 7.50 15/ 1/1981	S	93	.88 / .74	17.02 / 18.85	8.23	100	20 / 1980	1.33 / 1969
25	1975 / 99.00	HONDA MOTOR / 9.25 1/ 5/1980		98 3/8	.17	17.34	9.38			1.00 / 1977
20	1976 / 99.75	INDUSTRIAL BANK–JAPAN / 8.50 1/ 7/1981		91 3/4	1.33	15.68	9.26	100 1/2	30 / 1980	
35	1975 / 100.00	INDUSTRIAL BANK–JAPAN / 9.25 15/12/1980		95 5/8	.79	15.36	9.67	100	30 / 1980	
35 / 28.0	1975 / 100.00	INDUSTRIAL BANK–JAPAN / 9.15 15/ 4/1982		90 7/8	2.12 / 1.98	14.49 / 14.90	10.18	100 1/2	30 / 1980	1.40 / 1976
45	1977 / 100.00	ISHIKAWAJIMA–HARIMA / 7.75 15/ 4/1982		86 5/8	2.12	15.57	8.93	100	30 / 1981	
35	1976 / 100.00	ISHIKAWAJIMA–HARIMA / 9.00 1/ 3/1981		93 7/8	1.00	16.07	9.59	100	30 / 1980	
20	1978 / 99.50	ITO–YOKADO / 9.125 31/ 3/1983	S	81 1/2	3.30	16.88	11.51			
15	1977 / 99.00	C ITOH & CO (HK) INTL / 0.125 1/12/1984		83	4.75	13.13	9.79	101	30 / 1981	1.00 / 1978
35	1976 / 100.00	C ITOH / 8.75 1/ 8/1981		91 3/8	1.42	15.66	9.58	100 1/2	30 / 1980	
20 / 3.9	1965 / 97.75	JAPAN DEVELOPMENT BANK / 6.50 15/11/1980	S	98 1/4	.71 / .61	15.85 / 17.37	7.02	100	50 / 1980	.75 / 1967
[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

WHO'S AFRAID OF THE 1980s?

ISSUED/ EST. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY		PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL EOT. (O=TAL)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
		US DOLLARS-SWEDEN (CONTINUED)								
40	1977 100.00	GOTAVERKEN 7.625 15/ 8/1982		85 3/4	2.54	18.67	8.69			
40	1976 100.50	GOTAVERKEN 8.00 15/ 1/1982		88 3/4	1.88	15.30	9.01			
50 36.0	1977 09.50	GOTAVERKEN 8.125 15/ 9/1987		74 7/8	7.54 5.82	15.63 14.03	10.83	101	45 1982	2.00 1970
50	1976 99.00	GOTAVERKEN 8.25 1/10/1983	F	81 3/8	3.59	15.32	10.14	101 1/2	30 1980	
30 30.0	1976 100.00	GOTAVERKEN 8.25 15/ 1/1988		84 3/8	4.88 2.08	12.75 15.54	8.78	101	60 1982	6.00 1901
30	1977 99.50	GOTHENBURG, CITY OF 8.75 15/12/1907		71 7/8	7.75	15.11	12.17	100 5/4	30C 1984	1.08 PF1978
25 7.2	1967 97.30	GRANGES 6.75 16/10/1987	S	77 1/2	7.63 4.15	11.53 14.61	8.90	101 3/4	50Y 1980	.90 1970
15 9.0	1971 100.00	GRANGES 8.50 15/ 2/1989		75 7/0	0.96 4.98	13.25 15.98	11.20	104	30C 1981	1.00 1973
50	1975 100.00	GRANGES 9.75 15/12/1980		95 1/2	.79	16.06	10.21	100 1/2	45 1980	
20 15.0	1975 98.00	GRANGES 9.75 1/ 5/1985		84 3/4	3.17 3.92	14.07 15.10	11.50	102	45C 1980	1.25 DF1976
50 40.0	1976 108.00	KOCKUMS 0.00 15/11/1983		69 7/8	3.71 2.21	11.47 13.55	8.90	101 1/2	45 1980	10.00 1979
20 8.4	1966 97.15	L.M. ERICSSON 6.50 15/ 3/1986	S	80 1/2	6.04 2.04	11.30 15.20	8.24	101 1/4	90Y 1981	1.20 1969
35	1976 100.00	L.M. ERICSSON 8.50 15/ 9/1983		83 1/4	3.54	14.86	10.21	101	45C 1980	
30 30.0	1977 100.50	L.M. ERICSSON 8.50 15/ 4/1989		70 3/4	9.12 6.12	14.46 16.40	12.01	101 1/2	45C 1982	2.00 DF1980
30 16.9	1970 99.50	L.M. ERICSSON 9.25 1/12/1985		90 7/8	5.75 3.76	11.48 12.35	10.18	100 1/4	45C 1980	2.25 1971
35 30.4	1976 100.00	L.M. ERICSSON 9.25 15/ 9/1991		73 3/0	11.54 18.06	14.00 14.39	12.61	101 1/2	45C 1584	1.10 DF1977
35	1976 100.00	MO OCH DOMSJO 9.00 15/10/1986		71 5/8	6.02	16.27	12.57	101 1/2	60 1981	1.20 PF1977
25	1976	MO OCH DOMSJO		83 1/2	2.96	15.04	11.30		00	1.00

US DOLLARS-VENEZUELA (CONTINUED)

15 10.5	1972 100.00	VENEZUELA [illegible]	

US DOLLARS-UTD KINGDOM

200	1978 100.00	UNITED KINGDOM
150 150.0	1978 95.00	UNITED KINGDOM
30 27.0	1973 100.00	AIRLEASE
20 14.0	1971 100.00	AIRLEASE
30 30.0	1979* 99.00	ALEXANDER
30 30.0	1979* 99.00	ALEXANDER
00 45.0	1977 100.50	ASHLAND
20 14.5	1972 99.50	B.I.C.C.
30 21.0	1971 100.00	BARCLAYS
50 50.0	1976 100.00	BARCLAYS
25 15.0	1976 100.00	BARCLAYS
50	1975 100.00	BARCLAYS
100	1977 100.00	BARCLAYS
1	1967 100.00	BEECHAM
45 28.5	1972 100.00	BEECHAM
50	1977 100.00	BOWATER

US DOLLARS-UTD KINGDOM (CONTINUED)

US DOLLARS-UNITED STATES

US DOLLARS-UNITED STATES (CONTINUED)

US DOLLARS-SWITZERLAND

US DOLLARS-VENEZUELA

US DOLLARS-SUPRANATIONAL

US DOLLARS-SUPRANATIONAL (CONTINUED)

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US DOLLARS-SUPRANATIONAL (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
80	1979* 99.75	EUROPEAN INVESTMENT BANK 11.75 15/ 1/1992	82 3/8	11.88	15.00	14.26	101	300 1987	6.40 PF1981
100 100.0	1980* 98.65	EUROPEAN INVESTMENT BANK 11.875 1/ 1/2000 S	83 1/2	19.84 14.89	14.92 15.15	14.73	15.55 103.10	30 1992	3.00 DR1988
40	1977 100.00	NORDIC INVESTMENT BANK 7.75 1/ 6/1984	78 5/8	4.25	14.84	9.86	101	45 1981	
25	1978 100.00	NORDIC INVESTMENT BANK 8.75 15/ 3/1988	76	8.21	13.78	11.51	101	45 1983	.60 PF1978
10	1978 100.00	NORDIC INVESTMENT BK P 8.75 15/ 5/1988	75 3/4	8.21	13.86	11.55	101 1/2	450 1984	
200	1977 100.00	WORLD BANK 7.00 1/ 5/1982 S	85 3/8	2.17	15.71	9.37			
250	1977 100.00	WORLD BANK 7.125 1/ 8/1982 S	84 1/2	2.42	15.54	8.61			
200	1977 100.00	WORLD BANK 7.65 1/ 5/1987 S	72	7.17	14.43	10.91			
250	1977 100.00	WORLD BANK 7.75 1/ 8/1987 S	71 7/8	7.42	14.64	11.07			
250	1976 99.80	WORLD BANK 7.80 1/12/1986 S	73 5/8	6.75	14.49	10.87			
250	1976 100.00	WORLD BANK 8.00 1/ 7/1981 S	91 1/4	1.33	16.05	8.96			
200	1975 100.00	WORLD BANK 8.15 1/ 1/1985 S	79 7/8	4.84	14.50	10.46			
200 200.0	1977 99.25	WORLD BANK 8.25 1/ 5/2002 S	67 1/4	22.17 10.41	13.10 13.60	12.64	102 1/2	30 1989	0.00 DR1990
300	1975 100.00	WORLD BANK 8.30 15/ 7/1980 S	97 5/8	.37	16.25	8.71			
250	1975 100.00	WORLD BANK 8.35 15/12/1980 S	94 3/4	.79	16.18	9.01			
250 250.0	1977 100.00	WORLD BANK 8.35 1/ 8/2002 S	68	22.42 16.66	25.08 15.55	12.00	102 1/2	38 1990	10.00 DR1990
250	1970 100.00	WORLD BANK 8.375 1/ 7/1986 S	77	6.33	14.44	11.17			
250 250.0	1976 99.53	WORLD BANK 8.375 1/12/2001 S	68 1/4	21.75 15.99	15.10 13.61	12.65	102 1/2	30 1989	10.00 DR1989
200	1975 100.00	WORLD BANK 8.60 15/ 7/1985 S	79 7/8	5.37	14.34	11.06			
250	1975 100.00	WORLD BANK 8.85 15/12/1985 S	79 3/4	9.79	14.56	11.41			
250 250.0	1976 100.00	WORLD BANK 8.85 1/ 7/2001 S	69	21.33 15.57	13.67 14.18	15.24	102 3/4	30 1989	10.00 DR1989
250 250.0	1975 100.00	WORLD BANK 9.35 15/12/2000 S	72	20.79 15.03	15.80 14.29	13.61	102 3/4	30 1988	10.00 DR1988

US DOLLARS-FLOATING RATE

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
25 19.3	1975 100.00	ADELA INVESTMENT 8:1-3/8 13.680 8/ 1/1983 S	98 1/2	2.86 1.92		15.83	100	300 1980	2.00 1978
40	1978 100.00	AFRICAN DEV BANK 7:1/4 13.00 27/ 7/1983 S	97 3/4	3.41		15.35	100	30C 1981	
25	1978 100.00	ALAHLI BK KUWAIT 5.5:1/4 16.975 23/ 8/1983 S	97 7/8	3.48		16.73	100	100 1980	
30	1977 100.00	ALLIED IRISH BK 6.75:1/4 13.063 24/ 3/1984 S	99 5/8	4.00		13.14	100	30C 1981	
60	1979* 100.00	ALLIED IRISH BK 5.25:1/4 13.125 2/ 1/1987 S	97 7/8	6.04		15.45	100	50C 1984	
40	1978 100.00	AMERICAN EXP INT 1:1/4 14.088 20/ 4/1982 S	100	2.14		14.69	100	30C 1980	
50	1977 100.00	ANDELSBANKEN 7.0:1/4 14.313 2/ 6/1984 S	98	4.25		14.60	100	560C 1981	
25	1978 100.00	ARAB INTL BANK 6.5:3/8 15.063 31/ 7/1983 S	97 1/4	3.42		15.49	101	40F 1981	
20	1978 100.00	ARAB-MALAY DEV 7.5:1/4 14.688 12/10/1983 S	99 1/4	3.62		14.80	101	45C 1981	
30	1979* 100.00	BBL (CAYMAN) LTD 0.5:1/4 14.930 25/ 6/1984 S	96 1/2	4.32		15.48			
60	1976 100.00	B.C.I. 7.19:1/4 15.063 14/ 4/1981 S	99 7/8	1.12		15.00	100	30 1900	
25	1978 100.00	B.F.C.E. 6.5:1/4 13.75 27/10/1983 S	99 3/4	3.68		15.79	100	18 1980	
30	1977 100.00	B.F.C.E. 0.375:1/4 10.375 23/ 8/1984 S	99 3/4	4.48		18.42	100	20C 1981	
25	1980* 100.00	BANCO DE BOGOTA 7:1/4 14.75 4/ 2/1985 S	96 3/4	4.93		15.15	100	10C 1983	
15	1979* 100.00	BANCO DE CHILE 0.5:1/4 14.938 31/ 1/1986 S	95	5.92		15.72			
30	1979* 100.00	BANCO DI ROMA INT 16:1/4 13.75 26/ 4/1987 S	98 7/8	7.15		15.83	100	50C 1983	
40	1977 100.00	BANCO DO BRASIL 8.75:1/4 19.063 15/ 2/1982 S	98 3/4	1.96		15.25	100	60 1980	
15	1978 100.00	BCO CENT EL SALV 8:1-1/4 15.688 12/10/1983 S	99 1/2	3.62		16.78			
25	1979* 100.00	BCO LATIN-AM EXP 0.5:1/4 16.575 22/ 8/1984 S	97	4.48		16.88	100	50C 1982	
30	1978 100.00	BANCO NAC ARGENT 8:1/4 14.625 21/ 7/1983 S	95 1/4	5.39		14.09	100	30 1981	
50	1979* 100.00	BANCO NAC ARGENT 7:1/4 13.188 21/ 1/1986 S	98 1/4	6.06		13.42	100	50C 1983	
58	1979* 100.00	BCO NAC DESENV ECON 0:1/4 15.188 21/ 6/1989 Q	90 3/8	8.31		16.88	100	45C 1983	
30	1979* 100.00	BCO PROV B.A. 17.75:1/4 14.50 5/ 0/1986 S	96 1/2	8.26		15.03	100	30C 1982	
25	1978 100.00	BANCO UNION 7.75:1/4 12.938 1/ 4/1983 S	97 1/4	5.08		15.50	100	30 1981	
30	1979* 100.00	BANK BUMI MALAY 6.25:1/4 15.00 23/ 4/1984 S	99	4.15		15.15	100	30C 1982	
100	1978 100.00	BFG FIN CO L 5.5:1/4 14.688 10/ 1/1989 S	96 1/2	8.88		15.22	100	50C 1981	
30	1970 100.00	BANK HANDLOWY 8.25:1-1/4 15.00 10/ 6/1981 S	95 1/2	1.28		15.71	100 1/2	45F 1980	
30 30.5	1978 100.00	BANK HANDLOWY 18:1-1/8 15.063 25/ 5/1988 S	93 7/8	8.23 6.23		16.05	101	60C 1981	3.00 1984
30 30.0	1979* 100.00	BANK HANDLOWY 17.5:1-1/8 15.73 10/ 8/1989 S	92 7/8	9.44 7.44		16.96	101	60C 1982	3.00 1985
30	1979* 100.00	BANK OF IRELAND 5.25:1/4 16.125 21/11/1989 Q	97 1/8	9.75		16.60	100	30C 1983	
40	1975 100.00	BANK OF TOKYO 5:1/4 15.575 19/11/1980 S	99 1/4	.72		15.41	100	30C 1980	
35	1976 100.00	BANK OF TOKYO 4.75:1/4 14.688 20/10/1981 S	99 5/8	1.64		14.74	100	30C 1980	

US DOLLARS-FLOATING RATE (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
60	1977 100.00	BANK OF TOKYO 0.5:1/4 15.063 15/11/1984 S	99 3/8	4.71		15.16	100	30C 1981	
30	1979* 100.00	BANK OF TOKYO 5.19:1/8 14.563 25/10/1989 Q	97	9.65		15.01	100	30C 1982	
30	1978 100.00	BANK OF TOKYO 3.5:1/4 14.538 18/10/1993 S	97	13.63		15.40	100	30C 1983	
30	1978 100.00	BANQUE WORMS 5.75:1/4 15.00 15/ 6/1985 S	96 1/8	5.29		15.29	100	50C 1981	
30	1976 100.00	B.U.E. :1/2 15.125 20/ 8/1981 S	99 1/2	1.47		15.20	100	15C 1980	
50	1979* 100.00	B.U.E. 5.25:1/4 15.25 20/12/1989 Q	96 7/8	9.81		15.74	100	45C 1982	
35	1978 100.00	BQUE EXT D'ALG 8.375:3/4 15.315 9/ 8/1984 S	96 7/8	4.44		15.81	100	30C 1981	1.00 PF1979
40	1978 100.00	BQUE EXT D'ALGER 7.5:5/8 16.063 2/11/1985 S	95 1/4	5.67		16.86	100	30C 1980	
55 49.3	1979* 100.00	BQUE EXT D'ALGE 7.25:7/8 15.25 11/ 7/1989 S	94 1/2	9.36 4.13		16.16	100	30C 1982	2.75 1979
30	1977 100.00	BQUE NAT D'ALGE 7.75:3/4 15.563 15/10/1982 S	96 3/4	2.62		15.76	100	60C 1980	
30	1976 100.00	BAYER VEREINS 1/4 13.938 1/ 6/1981 S	99	1.25		14.08	100	60 1980	
75	1970 100.00	B.N.P. 7:1/4 11.563 1/ 3/1983 S	99 3/4	3.00		12.59	100	1980	
30	1975 100.00	B.N.P. 7.5:1/4 13.125 18/ 9/1981 S	100	1.55		13.15	100	1980	
70	1977 100.00	B.N.P. 5.75:1/4 14.25 21/ 1/1983 S	98 7/8	2.89		14.41	100	1980	
75	1978 100.00	B.N.P. 1 1/4 16.063 21/ 2/1984 S	99 5/8	3.98		16.12	100	30 1982	
125	1979 100.00	B.N.P. 5.5:1/4 16.313 22/ 2/1991 S	97 3/4	10.98		10.69	100	1983	
40	1978 100.00	BQUE INDO/SUEZ 5.5:1/4 14.688 25/ 7/1985 S	98 5/8	9.40		14.89	100	30C 1981	
40	1979* 100.00	BQUE INDO SUEZ 5.25:1/4 14.688 10/ 7/1989 S	97 1/2	9.35		15.06	100	50C 1982	
20	1978 100.00	BQUE INT AFR OCC 8.3:1/4 14.563 12/ 7/1983 S	97 3/4	3.34		14.80	100 1/2	60C 1981	
20	1977 100.00	BQ LOUIS-DREYFUS 8.3:3/8 13.15 9/ 3/1983 S	99 5/8	3.02		13.30	100	60C 1980	
30	1979* 100.00	BANQUE SUDAMERIS 6:1/4 14.561 1/ 7/1987 S	96 1/8	7.33		15.15	100	50C 1982	
100	1979* 100.00	BARCLAYS O/S INV 3:1/4 14.25 13/ 6/1990 S	88 5/8	10.28		14.75	100	45C 1983	
35	1977 99.00	BEOGRADSKA BANKA 8:1.0 16.50 27/ 4/1983 S	98 1/3	3.16		25.75			3.50 PF1970
25	1979* 100.00	BERGEN BANK A/S 6.0:1/4 17.25 29/11/1989 Q	97 3/8	5.75		22.72	100	30C 1984	
20 20.0	1979* 100.00	CABEI 7:1/2 13.438 1/ 4/1994 S	93 1/2	14.09 6.09		14.37	101	50C 1982	.80 1982
20	1979* 100.00	C.A CAVENDES 7-1/2:1/2 14.958 1/ 8/1986 Q	97 1/2	6.42		15.32	100	30C 1982	2.00 PF1080
50 30.0	1978 100.00	C.C.C.E. 3.25:1/4 14.088 1/ 8/1996 S	96 5/8	16.42 11.43		15.20	100	60C 1988	3.31 1984
30	1974 100.00	C.C.F. 7:1/4 14.563 8/ 7/1983 S	98 7/8	3.33		14.75	100	30C 1980	
35	1977 100.00	C.C.F. 8.5:1/4 14.688 8/ 7/1983 S	88	3.35		14.84	100	800 1980	
45	1978 100.00	C.C.F. 5.75:1/4 15.608 5/ 5/1983 S	99 1/8	5.17		15.88	100	60C 1981	
10	1978 100.00	CHART JAPAN INT 6:1/4 14.873 9/ 8/1983 S	96 1/2	5.44		15.41	100	30C 1982	
150	1978 100.00	CHASE-MAN O/S 5.25:1/8 14.973 27/ 7/1993 S	96 1/2	13.41		15.41	100	30C 1983	
100	1979* 100.00	CITICORP O/S FIN 14.063 23/ 2/1985 Q	99 3/8	1.98		10.12			
120	1979* 100.00	CITICORP O/S FIN 16.938 30/ 5/1985 Q	98 1/2	4.25		17.02			
100	1979* 100.00	CITICORP O/S FIN 6:1/4 14.438 8/ 1/1994 Q	99	14.02		14.58	101 1/2	30C 1985	
50	1979* 100.00	CITY INVESTING FIN 1/2 19.188 1/ 8/1986 S	93 1/4	6.42		16.29	100	30C 1982	3.00 PF1980
25	1979* 100.00	CO-OPERATIVE BANK 8:1/4 15.063 15/11/1986 S	97 3/4	6.71		15.41	100	30C 1983	
20 10.8	1978 100.00	COSTA RICA,REP 8.3:1-1/4 14.625 10/ 4/1985 S	100 7/8	5.11 3.11		14.30			2.22 1981
75 75.0	1978 100.00	CREDIT NATIONAL 5.25:1/8 14.50 11/ 7/1988 S	96 1/2	8.38 6.36		15.03	101	600 1984	15.00 1984
30	1977 100.00	CREDIT AGRICOLE 6.3:1/4 14.938 15/12/1984 S	99	4.79		15.09	100	30C 1980	
40	1977 100.00	CREDITANSTALT 5.75:1/4 15.375 10/ 5/1984 S	99 1/2	4.21		15.45	100	50C 1980	
00	1979* 100.00	CREDITANSTALT 15.5:1/4 14.975 14/ 6/1991 Q	99 1/4	11.29		15.14	100	45C 1982	
75	1974 100.00	CREDIT LYONNAIS 7.00:1/4 14.813 6/ 3/1982 S	98 7/8	1.94		14.88	100	30C 1980	
80	1977 100.00	CREDIT LYONNAIS 8.0:1/4 14.673 10/ 2/1983 S	98 3/4	2.93		15.06	100	30 1980	
30	1977 100.00	CREDIT LYONNAIS 4.5:1/4 14.688 24/ 4/1983 S	99 7/8	3.32		14.85	100	50 1980	
50	1978 100.00	DG BANK FIN 0.19:1/4 14.938 15/12/1981 S	99 5/8	1.75		15.03	100	30C 1980	
15	1977 100.00	DOW BANKING CORP 8.5:1/4 14.75 2/ 8/1982 S	90 1/4	2.42		11.01	100	1980	
125 60.0	1970 100.00	ENEL 7.5:3/4 14.375 31/ 5/1980 S	99 7/8	.15		14.39			60.00 1971
25	1978 100.00	ENPETROL (8Z4) 7:1/2 15.688 21/ 9/1986 S	99 1/4	8.56		15.79	100	30C 1980	
35 26.5	1974 100.00	ESCOM 8.5:1.0 13.675 15/ 8/1982 S	93 5/8	2.46		15.95	100	30C 1980	0.00 1975
40 40.0	1979* 100.00	EUROFIMA 3.25:1/4 13.813 27/ 9/1989 S	97	9.50 8.00		13.21	100 1/4	1981	2.00 1984
100 100.0	1979* 100.00	FIAT FIN CORP 6:1/8 14.930 17/10/1991 S	96 1/8	11.63 9.63		15.54	100	30C 1981	20.00 1987
30 35.0	1977 100.00	GAS AKKA ROHRS 7.5:1-1/4 14.075 31/ 5/1982 S	99 7/8	2.25 1.46		14.89			5.00 1978
25 13.0	1970 100.00	GENERAL CABLE 7.5:1.0 13.75 30/ 5/1980 S	99 7/8	.58 .51		13.77	100	30C 1980	3.00 1972

US DOLLARS-FLOATING RATE (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
25	1976 100.00	GENOSSEN ZENTRAL 7.5:1/4 14.038 31/ 7/1981 S	99 1/2	1.42		15.01	100	30C 1900	
40	1977 100.00	GENOSSEN ZENTRAL 6.0:1/4 13.50 6/ 4/1983 S	99 5/8	3.10		13.55	100	30C 1980	
40	1979* 100.00	GENOSSEN ZENTRAL 5.5:1/4 14.625 1/ 8/1989 Q	97 1/2	9.42		15.00	100	30C 1983	
25	1978 100.00	GOTABANKEN 6:1/4 15.063 15/11/1986 S	97 3/4	6.71		15.41	100	30C 1983	
30	1977 100.00	HAPOALIM INTL 6.75:1/4 12.813 6/ 9/1982 S	76 7/8	2.52		16.67			
50	1979* 100.00	HAPOALIM INTL 0:1/4 15.688 10/ 5/1984 S	68	4.19		23.07			
30	1979* 100.00	HILL SAMUEL GRP 5.25:1/4 14.313 19/ 1/1992 S	85 3/8	11.89		14.95	100	30C 1983	
75	1977 100.00	HYDROCARBONS BK 7.5:3/4 15.188 22/12/1982 S	99 7/8	2.81		15.21	100 1/2	30C 1980	
18 18.0	1979* 100.00	IBERTISPAS 7:1/4 15.003 11/ 7/1986 S	94 1/4	8.36 5.49		15.98	100	30C 1983	2.25 1983
75	1979* 180.00	IC INDUSTRIES FIN 3/8 14.438 15/ 7/1991 S	94 3/8	11.37		15.30	100	50C 1982	2.65 PF1980
50	1979* 100.00	IDB INTERNATIONAL 7:1/4 14.688 19/ 4/1984 S	98 1/2	4.15		14.91			
50	1977 100.00	INDUST BNK-JAPAN 8.0:1/4 15.063 15/ 2/1983 S	99 1/8	1.96		15.20	100	30 1980	
30	1977 100.00	INDUST BNK-JAPAN 6.5:1/4 13.75 1/11/1982 S	99 1/2	2.67		15.83	100	30 1980	
50	1978 100.00	INDUST BNK-JAPAN 5.5:1/4 13.938 1/12/1985 S	96 1/2	5.73		14.15	100	30C 1982	
30	1979* 100.00	INDUST BNK-JAPN 5.25:1/4 14.25 15/10/1987 S	97 1/8	7.62		14.67	100	30 1982	
25 4.1	1970 100.00	INSILCO 7.5:1.0 15.625 31/ 7/1980 S	99 7/8	.42		15.64			15.00 1971
30	1978 100.00	I C BK CHINA 7.25:1/2 13.625 14/ 5/1983 S	99 3/4	3.23		15.66	100	30C 1981	
130	1977 100.00	INT WESTMINSTER BK 6:1/4 14.688 20/ 4/1984 S	99 1/4	4.14		14.80	100	60C 1983	
30	1978 100.00	ISTITKABATIGA-S 5.75:1/4 15.75 27/ 4/1985 S	99	3.16		15.81	100	30C 1981	
30	1977 99.00	JUGOBANKA 7.5:1.8 13.688 1/ 8/1983 S	98 1/2	9.42		15.83			2.00 PF1978
30 30.0	1979* 100.00	JUGOBANKA 8:7/8 15.00 23/ 5/1989 S	92 1/2	8.29 7.73		17.50			3.00 1984
50	1977 100.00	KANSALLIS-OSAKE 8.5:1/4 14.625 20/ 7/1983 S	98 1/4	3.39		14.81	100	30C 1980	
15	1979* 100.00	KREDO TRAX(CAY) 8.75:1/4 15.00 15/ 8/1983 S	97	4.46		15.53			
30 30.0	1970 100.00	LJUBLJANSKA BKA 7.75:1.8 15.063 18/ 7/1985 S	96 1/2	5.38 3.88		15.61	102	60F 1981	7.50 1982
75	1976 100.00	LLOYDS EUROFIN 7.25:1/4 13.875 31/ 5/1983 S	99 1/8	9.15		14.00	100	30C 1980	
30	1970 100.00	LONG TERM CRED 6.25:1/4 13.00 15/11/1981 S	99 1/2	1.79		15.08	100	30C 1980	
40	1977 100.00	LONG TERM CRED 6.375:1/4 14.73 27/ 7/1982 S	99 1/4	2.41		14.86	100	30F 1980	
00	1970 100.00	LONG TERM CRED 6:1/4 15.063 15/ 2/1983 S	98 7/8	2.96		15.23	100	30C 1981	
75	1978 100.00	LONG TERM CRED 5.25:1/4 13.563 9/11/1985 S	99	9.69		15.72	100	30C 1981	
75	1979* 100.00	LONG TERM CRED 5.25:1/4 14.25 15/12/1986 S	96 7/8	8.79		14.71	100	30C 1982	
50	1979* 100.00	LONG TERM CRED 5.5:1/4 14.186 7/ 6/1989 S	96 3/4	9.27		14.66	100	30C 1984	
100	1979* 100.00	MAN HAN O/S CAP 5.19:1/8 17.125 30/ 1/1994 Q	96 7/8	14.25		17.32	100	30C 1984	
30	1976 100.00	MIDLAND BANK 7.5:1/4 16.125 18/ 2/1983 S	100 1/8	2.97		16.15	100	30C 1980	
30	1975 100.00	MIDLAND BANK 0.0:1/4 15.063 12/11/1982 S	100 3/8	2.70		15.01	100	30C 1980	
50	1977 100.00	MIDLAND INTL FIN 6:1/4 19.438 15/ 5/1987 S	99	7.21		15.59	100	30C 1983	
125	1979* 100.00	MIDLAND INTL FIN L 5:1/4 15.00 26/12/1989 Q	98 5/8	0.81		15.31	101 1/2	60 1986	
125	1978 100.00	MIDLAND INTL FIN 5.3:1/4 14.425 20/ 7/1993 S	96 1/2	13.39		15.16	100	50C 1983	
15	1979* 100.00	MUREY CONNERRE 6.5:1/4 14.75 19/12/1984 S	96 1/4	4.80		15.32	100	45C 1982	
100	1979* 100.00	NACIONAL FIN 8.25:1/4 14.686 25/ 7/1986 S	96 7/8	6.40		15.16	100	30C 1983	
100	1977 100.00	NACIONAL FINANCIERA 16:1 15.613 5/ 1/1999 S	100 3/8	12.85		15.57			
116	1978 100.00	NATIONAL WEST 5.5:1/4 14.688 21/ 6/1990 S	97	16.81		15.14	100	45 1982	
100	1979* 100.00	NATIONAL WEST 5.25:1/4 14.938 11/ 4/1994 S	97 3/8	14.11		13.56	100	45C 1983	
100	1979* 100.00	NATIONAL DE TEL 5.25:1/4 15.188 14/10/1986 S	99 1/4	6.63		15.30	100	60C 1982	
20	1978 100.00	NIPPON CREDIT 5.75:1/4 13.061 15/ 3/1983 S	99 5/8	3.04		15.11	100 1/2	30 1981	
30	1970 100.00	NIPPON CREDIT BK 5.5:1/4 14.488 22/12/1985 S	98 1/4	9.81		14.95	100	30C 1982	
50	1979* 100.00	NIPPON CREDIT BK 8.3:1/0 14.438 12/ 7/1986 S	96 7/8	6.36		14.90	100	30C 1983	
30	1980* 100.00	NIPPON CREDIT 9.25:1/4 14.480 4/ 2/1987 Q	97 1/2	6.94		15.06	100	30C 1983	
100 100.0	1978 100.00	OFFSHORE MINING CO 1/4 14.25 19/ 7/1986 S	97	6.38 6.01		14.65	100	30C 1980	15.00 1985
70 70.0	1978 100.00	PANAMA,REPUBLIC OF 7:1 10.00 11/ 8/1990 S	08 1/2	10.50 6.23		18.27			3.50 1981
50 50.8	1979* 100.00	PANAMA,REPUBLIC OF 7:5/8 14.688 19/ 7/1991 S	93	11.38 7.83		15.75	100	60C 1981	2.50 1983
25	1975 100.00	PARIBAS 7.25:1/4 13.875 8/12/1980 S	99 3/8	.78		13.96	100	30C 1980	
100	1979 100.00	PETROLEOS MEXICANO 7:1/4 14.813 24/ 1/1984 S	98 1/8	3.90		15.10			
100	1979* 500.00	PHILIPPINES,REP 6.5:1/4 15.00 18/10/1986 S	96 3/8	6.63		15.33	100	30C 1983	

US DOLLARS-FLOATING RATE (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
25	1976 100.00	POPULAR ESP INT 7.25:1/4 13.875 30/11/1981 S	99 1/4	1.75		13.88	100	30C 1980	
20	1979 100.00	PICA 7:1/2 15.063 8/ 2/1986 S	97 1/2	5.94		15.45	100	30C 1984	
25 25.0	1977 99.00	PRIVREDNA BANKA 8:1-1/4 15.938 6/ 1/1985 S	97 1/4	4.89 3.45		16.39			2.50 1981
30 50.0	1978 100.00	PRIVREDNA BANKA 8:7/8 15.375 22/12/1986 S	93 3/4	6.81 4.56		16.40	101	45C 1983	5.00 1982
30	1976 100.00	ROYAL BANK-SCOT 7.75:1/4 15.625 6/ 5/1983 S	100 1/4	3.13		15.59	100	30C 1980	
75	1979* 100.00	ROYAL BNK-SCOT 15.25:1/4 14.625 11/ 7/1994 Q	98 1/4	14.36		14.89	100	30C 1983	
20	1979* 100.00	SIAM COMMERCIAL 7.5:1/4 13.125 19/ 8/1984 S	96 7/8	4.55		13.55	100	30C 1982	
00 47.0	1978 100.00	S.F.T.E. 0:3/4 13.813 5/ 4/1983 S	100	3.10 2.71		13.81	100 1/2	89 1982	3.00 1979
50 36.0	1974 100.00	S.F.T.E. 8:3/4 14.75 7/ 8/1984 S	100	4.27 3.16		14.75	100	60C 1980	4.00 1975
30	1977 100.00	S.N.C.F. 6.25:1/4 14.688 2/ 3/1997 S	98	16.93		14.99	100	60C 1980	
20	1979* 100.00	SOC GENT DE BQUE 6.5:1/4 15.25 5/10/1987 S	96 5/8	7.59		15.71	100	30 1982	
60	1977 100.00	SOCIETE GENERALE 3/8 13.063 1/10/1984 S	99 3/4	4.59		13.10	100	60 1981	
50	1979* 100.00	SOCIETE GENERAL 3.25:1/4 14.625 12/ 7/1991 Q	97 5/8	11.36		14.98	100	30C 1982	
20	1979* 100.00	SOCESAL 15.75:1/4 14.458 15/ 7/1989 S	96 1/6	9.37		14.96	100	100 1983	
50 50.0	1979 100.00	SONATRACH 7.5:1 15.813 15/ 2/1991 S	96 1/4	10.96 8.48		16.43	100	30C 1982	2.50 1985
30	1978 100.00	SONATRACH L 7.25:1/4 14.688 7/12/1992 S	93	12.77		15.79			
58	1977 100.00	STANDARD CHART 4.25:1/4 13.875 31/ 5/1984 S	98 1/4	4.15		14.05	100	30C 1981	
100	1978 100.00	STANDARD CHART 5.5:1/4 16.75 10/ 8/1990 S	96 1/2	10.46		13.28	100	30C 1983	
75	1980* 100.00	STANDARD CHART 5.25:1/4 9.25 6/ 3/1990 S	96 7/8	10.01		9.31	100	30C 1986	
15	1977 100.00	SUMITOMO BANK 5.5:1/4 15.815 12/ 5/1980 S	89 3/8	.20		15.91			
25	1978 100.00	SUMITOMO HEAVY 5.75:1/4 13.063 18/ 3/1983 S	99 3/4	3.04		15.10	100	30C 1981	
30	1979* 100.00	SUMITOMO HEAVY 9.5:1/4 14.563 12/ 9/1984 Q	98 7/8	4.54		14.75	100	30C 1982	
20	1973 100.00	SUNDSVALLSBANKEN 0:1/4 13.313 4/10/1985 S	87 1/4	5.59		13.69	100	30C 1982	
150	1979* 100.00	SWEDEN,KINGDOM OF 1/4 14.438 18/10/1991 Q	97	11.63		14.88	100	30C 1984	
35	1979* 100.00	TEXAS INT AIR CAP 7:1/4 15.198 11/ 4/1986 Q	94 1/8	0.11		16.14	100	30C 1982	2.00 PF1980
25	1979* 100.00	THAI FARMER INT 7.25:1/4 14.688 21/ 6/1984 S	96 7/8	4.31		15.16	100	30C 1982	
30	1979* 100.00	THAILAND,KINGDOM 7:1/4 13.063 15/ 3/1984 S	97 7/8	4.04		13.33			
40	1979* 100.00	TRADE DEV FIN SERV 6:1/4 16.125 21/ 8/1986 S	96 1/8	6.47		16.78	100	45C 1982	
30	1979* 100.00	TVO POWER (D-LOCK) 9:1/4 15.313 24/ 5/1991 S	97 1/8	11.25		15.77	101	30C 1984	
25	1977 100.00	U.B.A.F. 7.25:1/4 14.125 7/12/1982 S	99	2.77		14.27	100	45 1980	
25	1976 100.00	U.B.A.F. 7.5:1/4 14.50 3/ 6/1981 S	99 1/8	1.26		14.63	100	38 1980	
25	1977 100.00	U.B.A.F. 8.75:1/4 13.063 22/ 5/1982 S	88 3/8	2.00		13.14	100	45 1980	
65	1979* 100.00	S.B.A.F. 5.5:1/4 14.875 9/ 1/1999 S	95	8.86		15.49	100	1985	
30	1977 100.00	UNION BK-FINLAND 0.5:1/4 14.75 20/ 4/1982 S	99 3/8	2.14		14.84	100	30C 1980	
25	1976 100.00	UNITED OVERSEAS BK 7:1/4 14.188 24/11/1981 S	99 1/4	1.73		14.29	100	30C 1980	
25	1979 100.00	UNITED OVERSEAS BK 6:1/4 15.625 4/ 5/1093 S	99 1/8	3.28		15.76	100	30C 1981	
25	1979* 100.00	UNITED OVERSEAS BK 6:1/4 15.313 29/ 3/1989 Q	97 1/8	8.08		13.77	100	30C 1984	
25	1976 100.00	URQUIJO INTL 7.25:1/4 14.688 21/12/1981 S	99 1/4	1.81		14.80	100	30C 1980	
30	1979 100.00	URQUIJO INTL 6:1/4 13.375 21/ 1/1986 S	98 5/8	6.05		15.00	100	30C 1981	
25	1976 100.00	VIZCAYA INT 7.25:1/4 15.013 12/11/1981 S	99 1/2	1.78		15.89	100	30C 1980	
40	1977 100.00	WILLIAMS & GLYNS 6.5:1/4 17.063 28/ 2/1984 S	100	4.00		17.06	100	30C 1901	
75	1979* 100.00	WILLIAMS & GLYN 5.25:1/4 13.00 14/ 9/1991 S	93	11.54		13.27	100	30C 1983	

AUSTRALIAN DOLLARS

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
15	1976 99.25	AUSTRALIAN IND DEVT CORP 10.00 1/10/1983	99	3.59	14.05	11.24	100 1/2	30 1980	
10	1977 100.00	AUSTRALIAN RESOURCES 10.00 1/11/1982	89	2.75	15.11	11.24	100	30 1981	
15	1978 100.00	CITICORP O/S FIN L 10.50 15/ 2/1983	89 1/2	2.96	15.15	11.73			1.50 PF1970
15	1979 99.50	CITICORP O/S FIN L 11.00 1/ 2/1984	99 1/2	3.92	18.69	12.29			1.50 PF1980
12	1978 100.80	RANK OVERSEAS HOLDINGS 11.50 1/ 7/1983	89 1/2	3.33	15.70	12.85			

AUSTRIAN SCHILLINGS

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
150 60.0	1971 98.50	ASIAN DEVELOPMENT BANK 7.00 20/12/1983 S	99 5/8	5.81 2.31	7.24 8.14	7.15	103	90C 1980	15.00 1974
180 350.0	1979* 99.50	EUROFIMA 8.00 4/12/1994	96	14.76 7.76	8.23 8.35	8.16	8.54 102	90C 1987	23.33 1980
400	1978 99.00	EUROPEAN INVESTMENT BANK 7.75 22/12/1986	96	6.81	8.54	8.07	8.16 100 1/2	150C 1983	50.00 PF1982
350 350.0	1976 97.25	EUROPEAN INVESTMENT BK P 8.00 20/10/1986	97 1/2	6.64 4.14	8.49 8.74	8.21	100 1/2	1981	58.34 1981

AUSTRIAN SCHILLINGS (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
300 300.0	1976 97.25	INTER-AMERICAN DEV BK D 8.00 17/12/1986	97 5/8	6.80 4.30	8.46 8.69	8.19	100 1/2	138 1981	50.00 1981

BAHRAINI DINARS

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
12 13.0	1977 100.00	NAT ALGERIE NAVIGATION 8.75 1/ 8/1987	93 1/2	7.42 4.92	10.01 10.50	9.36	100	60C 1980	2.00 1982
15 15.0	1977 100.00	PETROLEOS MEXICANOS L 8.75 15/11/1987	94 1/3	7.71 5.71	9.78 10.04	9.26	101	60C 1980	5.00 1983

CANADIAN DOLLARS

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
25	1977 99.50	AMERICAN HOSPITAL SUPPLY 8.75 11/10/1984	81 1/2	4.62	14.46	10.74	100	38 1982	
20	1977 100.00	ARCO FIN SERV-CANADA 8.50 1/ 8/1982	80 1/8	2.42	15.18	10.66			
25	1979* 99.25	ARCO FIN SERVICES-CANADA 10.25 15/ 5/1986	81 1/2	8.21	15.00	12.58	100 1/2	30 1983	
10	1979* 100.00	BANK OF BRITISH COLUMBIA 10.25 15/ 5/1989	82 1/4	9.21	13.74	12.46	100	50 1984	
50	1970 100.00	BANK OF MONTREAL 9.00 15/ 9/1982	89	2.54	14.39	10.11	100	30 1981	
38	1977 99.75	BANQUE CANADIENNE NAT 8.25 19/ 3/1982	89 1/8	1.96	15.04	9.26			
15	1976 100.00	BANQUE CANADIENNE NAT 9.23 15/ 4/1982	90 3/4	2.12	14.57	10.19	100	30 1981	
20	1976 99.50	B.C CENTRAL CREDIT UNION 9.75 22/12/1981	93 3/4	1.81	15.81	10.40			
25	1977 100.00	BM-RT 8.75 1/ 8/1982	88 7/8	2.25	14.84	8.85			
60	1979* 100.00	BELL CANADA 10.75 1/10/1986	85 3/8	8.59	14.28	12.59	100 1/4	30 1984	
30	1977 99.00	BENEFICIAL FIN INT 9.00 15/ 2/1984	84 3/4	3.96	14.30	10.62	100	50 1982	
20	1975 100.00	BENEFICIAL FIN INT 9.50 15/ 7/1980	96 5/8	.37	19.00	9.83			
25	1975 100.00	BENEFICIAL FIN INT L 9.75 15/12/1982	88 1/2	2.79	15.04	11.02	100	30 1981	
20	1975 100.00	BENEFICIAL FIN INT 10.25 15/10/1981	93 3/4	1.62	14.72	10.93	100	30 1980	
23	1976 100.00	BORG-WARNER ACCEPT-CAN 10.25 1/12/1980	96 1/4	.75	15.60	10.65			
25	1977 100.00	BRITISH COLUMBIA M.F.A. L 9.00 1/ 8/1997	81	17.25	11.58	11.11			
15 15.0	1974 99.00	BRITISH COLUMBIA M.F.A 9.25 15/ 3/1981	96 1/8	1.21 .71	12.82 15.32	9.62	100 3/4	30 1980	7.50 1980
25	1975 99.00	BRITISH COLUMBIA M.F.A 9.25 30/ 6/1982	90 1/4	2.33	14.38	10.25	100 3/4	30 1980	2.00 PF1976
24	1979* 100.00	BRITISH COLUMBIA M.F.A L 10.25 15/ 5/1999	78 3/4	19.21	13.35	13.02	101	60C 1984	
20	1976 99.00	CALGARY POWER 9.75 15/ 5/1982	91 3/8	2.21	14.52	10.67			5.00 PF1977
25	1976 100.00	CANADA PERM MORT CORP 9.75 3/11/1981	92 3/8	1.67	15.14	10.55			
25	1976 100.00	CANADA TRUSTCO MORTGAGE 5.25 3/12/1981	92 5/8	1.75	14.21	9.99			
35	1977 100.00	CANADIAN ACCEPTANCE P 9.375 19/10/1982	00	2.62	15.17	10.65			
60	1977 99.25	CANADIAN NAT RAIL CO 8.875 1/ 3/1987	76 1/4	7.00	14.49	11.64	101	30 1983	1.80 PF1978
35	1976 100.00	CANADIAN PACIFIC SECS 9.25 15/ 4/1983	86 7/8	3.12	14.76	10.65	100	30 1981	
35	1975 100.50	CANADIAN PACIFIC SECS 9.75 15/12/1981	92 7/8	2.79	14.47	10.50	100	30 1980	
25	1977 100.00	CHRYSLER CREDIT - CANADA 9.25 15/ 6/1982	70	2.29	28.67	13.21	100	30 1981	
30	1976 99.08	CHRYSLER CREDIT - CANADA 9.50 15/10/1982	70	2.62	26.63	13.57	100	30 1981	
20	1976 100.00	COMM CREDIT CORP -CANADA 9.75 15/ 5/1981	93 7/8	1.21	15.37	10.39			
30	1977 100.00	CREDIT FONCIER F-CAN 8.75 15/ 2/1982	90 3/8	1.96	14.74	9.68			
30	1976 100.00	CREDIT FONCIER F-CAN 8.75 15/ 2/1981	95 1/8	.96	15.56	10.25			
25	1976 100.00	CREDIT FONCIER F-CAN 9.75 15/ 7/1981	95 1/8	1.37	13.75	10.25			
30	1979* 100.00	CREDIT FONCIER F-CAN 10.375 15/ 3/1984	85 7/8	4.34	14.81	12.08			
15	1977 100.00	DRESSER IND (CANADA) P 8.50 15/ 3/1982	86	2.04	17.17	9.88			
50	1976 100.00	DU PONT OF CANADA 9.50 15/ 2/1981	95 1/4	.96	15.15	9.97			
50	1976 100.50	EUROPEAN COAL & STEEL 8.00 15/ 3/1983	87 3/4	3.04	14.22	10.26	100	30 1981	
25	1977 100.50	EUROPEAN COAL & STEEL 8.00 15/ 4/1984	80 1/8	4.12	14.33	10.70	100	30 1982	
50	1979* 100.00	EXPORT DEVELOPMENT CORP 10.00 15/ 5/1984	87 1/2	4.21	14.10	11.43	100 1/4	45 1983	
25	1975 100.00	FIRST CANADIAN INVEST 10.00 1/ 1/1981	95 3/4	.84	15.66	10.44			
30	1979* 100.50	FIRST CANADIAN INVEST 10.00 15/ 5/1984	86 7/8	4.21	14.33	11.51			
20	1977 100.00	FORD MOTOR CREDIT-CANADA 8.50 15/ 5/1984	83 1/4	4.21	14.00	10.21	100	30 1982	
20	1977 99.50	FORD MOTOR CREDIT-CANADA 8.75 15/ 5/1987	76 3/8	7.21	14.17	11.46	100	30 1984	
50	1976 99.50	FORD MOTOR CREDIT-CANADA 9.25 1/ 2/1983	87 3/8	2.92	14.87	10.59	100	30 1982	
40	1976 100.00	FORD MOTOR CREDIT-CANADA 9.50 15/ 7/1982	89 3/8	2.37	15.06	10.63	100	30 1981	
40	1975 100.00	FORD MOTOR CREDIT-CANADA 9.75 1/11/1980	96 1/2	.67	15.36	10.10			
5	1976 100.00	GENELCOR D 9.00 15/11/1981	89 1/2	1.71	16.48	10.06			
10	1975 100.00	GENELCOR D 9.50 1/12/1982	86 3/4	2.75	15.73	10.95			
25	1977 100.00	GENERAL FOODS LTD 8.50 1/ 5/1984	82 3/8	4.17	14.38	10.32	100	30 1982	
30	1976 100.50	GEN MOTORS ACCEPTANCE 9.00 15/10/1981	92 1/8	1.62	14.68	9.77			

CANADIAN DOLLARS (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
58	1976 100.00	GEN MOTORS ACCEPTANCE 9.00 1/ 1/1982	90 7/8	1.92	14.77	9.90	100	30 1981	
40	1976 100.00	GEN MOTORS ACCEPTANCE 9.25 1/ 8/1983	88 3/8	3.25	13.88	10.47	100	30 1981	
30	1975 500.00	GEN MOTORS ACCEPTANCE 9.50 15/10/1981	92 3/4	1.62	14.72	10.24	100	30 1980	
50 30.5	1976 100.00	GEN MOTORS ACCEPTANCE 9.50 1/ 3/1986	82 1/4	5.92 4.23	13.96 13.32	11.48	101 1/2	30 1981	8.35 PF1982
30 30.0	1978 100.00	GEN MOTORS ACCEPTANCE 9.75 15/10/1988	81 5/8	8.62 6.52	13.45 14.22	11.94	102 1/2	30 1982	3.00 DR1982
25	1977 100.00	WALTER E.HELLER (CAN) 9.30 15/ 7/1984	83 1/4	4.37	14.93	11.41	100	30 1982	
15	1978 98.50	WALTER E.HELLER (CAN) 9.75 15/ 6/1981	94 1/4	2.29	14.82	30.34			
35	1975 100.50	HUDSON'S BAY 10.25 15/11/1981	93 3/4	1.71	14.33	10.93	100	30 1980	
00 60.0	1979* 100.00	HUDSON'S BAY 10.50 15/ 4/1989	81	9.13 7.25	14.35 14.95	12.96	101	30 1984	7.50 PF1984
25	1976 100.00	IAC LIMITED 9.30 15/ 5/1981	90 1/8	1.21	14.80	10.07			
25	1977 100.00	INT HARVESTER CREDIT-CAN 8.75 1/ 2/1983	85	2.92	15.49	10.29	100	30 1982	
25 23.0	1970 99.50	INT HARVESTER CREDIT-CAN 9.75 15/ 4/1986	78 1/8	6.12 4.58	15.31 17.03	12.48	100 1/2	30 1981	1.00 1977
30	1975 100.50	INT HARVESTER CREDIT-CAN 10.25 1/ 9/1981	93 1/4	1.50	15.05	10.93	100 1/4	30 1980	
25	1976 100.00	THE CANADIAN FINANCE 9.50 1/ 8/1982	90 1/2	2.41	14.33	10.50	100	50 1981	
25 22.5	1978 100.00	THE CANADIAN FINANCE 10.00 1/ 8/1986	83	6.42 5.25	14.16 14.85	12.05	100 5/8	30 1981	1.25 1978
50	1976 99.50	KINROSS MORT.CORP 9.25 15/ 6/1982	90 5/8	2.29	14.25	10.21	100	30 1981	
20	1977 100.00	LAURENTIDE FIN CORP 9.30 30/ 6/1982	88 1/4	2.33	15.23	10.64			
20	1976 99.00	LAVAL,CITY OF 10.00 1/ 7/1996	88 7/8	10.33	11.52	11.25	102 1/2	1986	
23	1977 100.50	MAC MAN LEASING CANADA 8.25 15/ 5/1982	89 5/8	2.21	13.97	9.21			
15 15.0	1975 99.50	MANITOBA,PROVINCE OF 9.25 30/ 4/1985	88 5/8	5.16 3.10	12.39 13.89	10.44	102	90 1980	3.00 1981
40	1979* 99.00	MONTREAL,CITY OF 10.00 1/ 8/1989	76 3/8	8.25	14.82	13.09	101	60 1985	4.00 PF1980
5	1975 98.50	MONTREAL EAST,TOWN OF 9.75 18/ 7/1982	84 1/2	2.38	18.22	11.54	101	60C 1980	
20 19.0	1975 100.00	NEWFOUNDLAND,PROVINCE OF 9.50 15/ 5/1983	90 3/8	3.21 3.02	13.34 13.56	10.51	101	30 1980	.50 PF1976
30	1975 100.25	NEWFOUNDLAND,PROVINCE OF 10.25 15/12/1985	90 7/8	5.79	12.33	11.28	101	30 1980	1.20 PF1978
10	1975 99.50	NORANDA MINES 9.75 1/11/1980	96 1/4	.67	15.80	10.13			
25	1976 100.00	NORANDA MINES 9.75 15/ 7/1982	90 5/8	2.37	14.61	10.76			
20	1976 99.50	NORCEN 9.75 15/ 4/1983	92 1/2	3.12	12.78	10.54			
38	1974 99.25	NOVA SCOTIA POWER L 9.50 1/ 7/1994	93 1/8	14.33	10.43	10.20	101	90 1984	
30	1975 100.00	NOVA SCOTIA,PROVINCE OF 9.00 15/12/1983	87 1/8	3.79	13.53	10.33			
25	1976 100.50	PANCANADIAN PETROL 8.75 15/11/1983	86 5/8	3.71	14.52	11.25	100	30 1981	
5	1975 98.50	POINTE-AUX-TREMBLES 9.75 18/ 7/1982	84 1/2	2.30	18.22	11.54	101	60C 1980	
18	1978 100.00	PROVINCIAL BANK-CANADA 8.38 15/ 2/1982	90 3/4	1.96	15.29	10.47	100	30 1981	
15	1975 100.00	QUEBEC,CITY OF L 10.00 15/11/1995	89 3/8	15.71	11.47	11.19	102	1985	
15	1974 100.00	QUEBEC,CITY OF L 10.75 15/10/1994	96	14.62	11.30	11.20	12.24 102	45C 1984	
30	1975 99.00	QUEBEC HYDRO-ELECTRIC 9.50 15/10/1981	92 3/4	1.62	14.71	10.24			
50	1973* 100.00	QUEBEC,PROVINCE OF 10.25 15/ 4/1986	82	6.12	14.91	12.50	100 3/4	30 1985	
15	1977 100.00	QUEBEC URBAN COMMUNITY 9.50 3/ 2/1982	89	1.93	16.39	10.67			
15	1977 99.00	QUEBEC URBAN COMMUNITY 9.50 15/ 9/1983	86	4.34	13.80	11.05			
15	1976 98.50	QUEBEC URBAN COMMUNITY 9.75 26/ 5/1983	85	3.24	15.98	11.47			
20	1977 100.00	RANK OVERSEAS HOLDINGS 8.50 15/ 6/1982	89 1/4	2.29	15.39	10.66			
40	1977 100.00	ROYAL BANK OF CANADA 8.00 15/ 2/1984	81 3/4	3.96	14.35	9.79	100	30 1982	
35	1976 100.00	ROYAL BANK OF CANADA 8.75 1/ 4/1982	91	2.08	13.88	9.62	100	30 1981	
40 40.0	1977 100.00	ROYAL BANK OF CANADA 8.00 15/ 2/1992	69 5/8	11.96 9.90	14.48 15.10	12.93	100	30 1985	1.50 1982
35 35.0	1976 100.00	ROYAL BANK OF CANADA 8.50 1/ 4/1988	83 3/8	8.08 5.68	12.82 13.83	11.39	100	30 1984	3.00 1981
40	1979* 100.50	ROYAL BANK OF CANADA 10.00 15/ 5/1986	83 1/8	6.21	14.24	12.03	100	30 1984	
40 40.0	1979* 100.00	ROYAL BANK OF CANADA 10.00 15/ 5/1994	76 1/8	14.22 12.14	13.34 14.66	13.49	100	30 1986	7.50 1984
20	1976 100.00	ROYAL TRUST CO MORTGAGE 9.50 15/ 2/1981	95	.96	15.66	10.00			
20	1976 100.00	ROYAL TRUST CO MORTGAGE 9.75 1/ 9/1982	90 1/8	2.50	14.65	10.82			
30	1975 100.00	ROYMARINE LEASING 9.50 15/10/1980	96 1/8	.62	16.18	9.88			
30	1976 100.50	ROYNOR 9.75 1/ 2/1982	92 3/4	1.92	14.30	10.51	100	30 1981	
15	1975 99.75	ROYFAT 9.50 1/ 9/1980	96 1/2	.50	16.88	9.84			14.10 PF1977
20	1976 99.50	ROYFAT 9.50 1/ 7/1981	94 3/8	1.33	14.28	10.07			.40 PF1979
20	1976 99.50	SIMPSON-SEARS ACC.CO 9.75 1/ 8/1983	89	3.42	13.37	11.03	100	20 1981	.84 PF1977

CANADIAN DOLLARS (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
25	1976 100.00	TEXASGULF CANADA 9.50 15/ 6/1982	91	2.29	14.30	10.44	100	30 1981	
25 22.5	1976 90.25	TEXASGULF CANADA 10.00 15/ 6/1986	83	6.29 5.13	14.23 14.95	12.05	100 3/8	30 1981	1.25 DR1978
30	1976 100.50	TORONTO-DOMINION BANK 9.00 1/ 4/1982	90 7/8	2.00	14.33	8.90	100	30 1981	
35	1975 100.50	TORONTO-DOMINION BANK 9.75 1/11/1981	93 5/8	1.67	14.20	10.41	100	30 1980	
25	1976 100.00	TRADERS GROUP 8.75 15/ 3/1982	92	2.04	14.53	10.60			.75 PF1977
15	1975 100.00	TRANS UNION FIN (CANADA) 10.50 1/12/1980	96 1/2	.75	15.55	10.88			
30	1978 100.00	UNION CARBIDE OF CANADA 9.15 1/ 5/1982	90 7/8	2.17	14.38	10.18	100	30 1981	
30 27.0	1976 99.00	UNION CARBIDE OF CANADA 9.75 1/ 5/1986	86 3/8	6.17 5.00	13.08 15.87	11.29	100 3/8	30 1981	1.50 DR1978

EUROGUILDERS

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
00	1977 99.30	AKZO 7.50 1/10/1984	84 1/8	4.59	12.15	8.92			
50	1976 99.50	AKZO 10.00 1/10/1981	97 1/2	1.59	11.72	10.26			
75 18.8	1975 100.00	ALGEMENE BANK 8.25 1/ 5/1980	98 5/8	.17	14.51	6.34			18.75 1977
75	1978 99.50	ALGEMENE BANK 6.15 15/ 5/1983	88 7/8	3.21	10.49	7.03			
75	1979* 100.00	ALGEMENE BANK NEDERLAND 8.25 19/ 9/1984	92 1/2	4.54	10.37	8.92			
75	1976 99.75	ALUSUISSE INT 8.25 15/ 3/1983	93	3.04	11.08	8.87			
75 75.0	1979* 100.00	AMEV 8.90 1/10/1986	85	6.59 5.59	11.88 12.34	10.00			25.00 1984
75	1975 99.50	AMRO BANK 6.25 15/ 5/1981	94	1.56	12.68	8.78			
75	1976 99.50	AMRO BANK 9.25 1/11/1981	96 1/2	1.67	11.59	8.59			
70	1978 100.00	AMRO BANK 7.00 1/ 3/1983	88	3.00	11.99	7.95			
60 15.0	1975 99.25	AMRO FINANCE 8.25 1/ 4/1980	99 1/8	.00	16.47	6.32			15.00 1977
75	1975 99.75	ASIAN DEVELOPMENT BANK 8.25 1/ 5/1983	93	3.00	11.11	8.87			
100	1978 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/ 8/1983	92 7/8	3.25	10.88	8.61			
75	1977 99.75	AUSTRIA,REPUBLIC OF 7.25 15/11/1984	86 3/8	4.71	11.10	8.39			
70	1975 100.00	AUSTRIA,REPUBLIC OF 8.25 15/ 7/1982	93	2.57	10.69	8.68			
75	1975 100.00	AUSTRIA,REPUBLIC OF 9.25 1/ 3/1982	97 1/2	2.00	10.82	9.52			
50	1975 99.25	AUSTRIAN ELECTRICITY 8.75 15/ 5/1982	94 1/8	2.21	11.88	9.30			
40 10.0	1973 99.50	BANK MEES & HOPE 6.00 1/ 5/1980	98 7/8	.17	12.89	6.07			10.00 1977
75	1978 100.00	BANK MEES & HOPE 7.00 1/ 4/1983	87 7/8	3.08	11.90	7.97			
75	1977 100.00	BANK MEES & HOPE 7.75 15/ 5/1982	92	2.21	12.04	8.42			
60	1973 59.75	BANK MEES & HOPE 8.25 15/12/1981	93 1/4	1.79	12.63	8.85			
75	1978 99.50	BRAZIL,REPUBLIC OF 7.50 1/ 7/1983	85 1/4	3.33	13.20	8.80			
75	1978 99.00	C.F.E. - MEXICO 7.75 1/ 8/1983	91	3.42	11.01	8.52			
40 10.0	1975 100.00	CONSOLIDATED FOODS 6.50 1/ 5/1980	98 5/8	.17	14.75	6.59			10.00 1977
60	1975 99.50	DUTCH STATE MINES 9.25 1/ 4/1982	97	2.00	10.91	9.54			
40 40.0	1976 90.50	[illegible] 8.50 15/ 4/1983	93 3/8	3.12 1.62	11.10 13.33	9.10			10.00 1980
50	1975 99.75	EUROFIMA 8.50 1/ 5/1982	96	2.17	10.62	8.85			
60	1976 99.75	EUROPEAN COAL & STEEL 8.00 15/ 3/1983	91	2.96	11.77	8.79			
50 30.0	1972 100.00	EUROPEAN INVESTMENT BANK 6.00 15/ 9/1982	91 1/2	2.54 1.54	9.91 12.31	6.56			10.00 1978
75	1978 99.50	EUROPEAN INVESTMENT BANK 7.25 1/10/1985	86 3/8	5.59	10.58	8.39			
75	1976 99.75	EUROPEAN INVESTMENT BANK 8.00 19/ 4/1983	91	3.12	11.57	8.79			
75	1977 100.00	EUROPEAN INVESTMENT BANK 8.00 15/ 2/1984	87 1/8	3.96	12.29	9.18			
75	1979 99.00	EUROPEAN INVESTMENT BANK 6.25 1/ 1/1986	88 1/8	5.84	11.11	9.36			
75	1975 100.00	EUROPEAN INVESTMENT BANK 9.00 1/ 3/1982	94 1/2	2.00	11.04	9.23			
25 25.0	1979* 89.50	FRIESCH-GRONINGSCHE HYPO 8.75 1/11/1986	88 7/8	6.67 5.17	11.18 11.73	9.85			6.25 1983
50	1975 99.75	[illegible] 9.25 1/ 5/1980	98 7/8	.17	15.75	9.36			
50 12.5	1973 100.00	MALAYSIA,GOVERNMENT OF 8.75 15/ 6/1980	100	.29	6.59	8.75			12.50 1977
75	1977 99.50	MEXICO,UTD STATES OF 8.25 15/ 7/1982	94 1/2	2.37	10.85	8.73			
75	1978 99.50	NEDER MIDDENSTANDSBANK 6.50 1/ 6/1983	86 3/8	3.25	11.25	7.53			

EUROGUILDERS (CONTINUED)

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
75	1979* 100.00	NEDER MIDDENSTANDSBANK 0.25 1/ 4/1984	91 1/8	4.08	11.05	8.05			
50	1979* 99.50	NEDERLANDSE GASUNIE P 8.75 1/ 7/1984	91 5/8	4.33	11.26	9.55			
75	1975 100.00	NEW ZEALAND,GOVT OF 6.75 1/ 7/1984	85 1/8	4.33	11.24	7.93			
75	1977 99.25	NEW ZEALAND,GOVT OF 8.00 2/ 3/1983	92 3/4	3.00	10.96	8.63			
75	1975 100.00	NEW ZEALAND,GOVT OF 8.25 15/11/1981	92 7/8	1.71	13.09	8.88			
75	1975 99.00	NEW ZEALAND,GOVT OF 9.00 1/ 3/1982	96 3/4	2.00	10.89	9.30			
75	1976 99.25	NORGES HYPOTEKBANK 7.75 1/ 4/1981	93 3/8	1.08	12.51	8.15			
100	1970 93.25	NORWAY,KINGDOM OF 6.50 1/ 4/1983	89 5/8	3.08	10.60	7.25			
100	1977 99.50	NORWAY,KINGDOM OF 6.75 1/10/1982	89 3/8	2.59	11.70	7.55			
100	1977 99.00	NORWAY,KINGDOM OF 7.75 1/ 4/1982	94	2.08	11.11	8.24			
100	1975 99.25	NORWAY,KINGDOM OF 8.00 15/11/1980	96 3/8	.71	15.52	8.30			
100	1979 99.50	NORWAY,KINGDOM OF 8.25 15/ 3/1984	92 3/8	4.04	10.66	6.95			
100	1979* 99.50	NORWAY,KINGDOM OF 0.25 1/10/1984	82 3/8	4.59	10.39	8.93			
75	1976 99.50	NORWAY,KINGDOM OF 8.50 15/ 7/1981	95 1/4	1.37	12.36	8.92			
75	1975 99.50	OSLO,CITY OF 8.25 1/ 7/1982	94 7/8	2.33	10.80	8.70			
75	1976 100.00	OSLO,CITY OF 8.25 1/ 1/1984	92 1/8	3.84	10.85	8.96			
75	1978 99.50	OSTERREICHISCHE KONTROLLBANK 6.50 15/ 5/1985	82 3/4	5.21	11.01	7.85			
75	1977 99.50	OSTERREICHISCHE KONTROLLBANK 7.25 1/ 8/1982	92 1/4	2.42	11.02	7.86			
75	1976 100.00	PHILIPS LAMPS 7.75 15/ 5/1981	94 1/2	1.21	12.87	6.20			
75	1975 100.00	PHILIPS LAMPS 8.15 1/10/1981	93 5/8	1.59	12.85	8.81			
75	1979* 100.00	PHILIPS LAMPS P 8.23 15/10/1984	92 5/8	4.62	10.31	8.91			
60	1977 99.75	PIERSON HELDRING PIERSON 7.25 1/ 6/1982	92 1/4	2.25	11.29	7.86			
40	1976 99.25	PIERSON HELDRING PIERSON 10.00 1/10/1981	98	1.59	11.35	10.20			
25	1979* 99.50	RABOBANK 9.00 15/11/1984	95 7/8	4.71	10.70	9.39			
60	1975 99.25	RANK XEROX HOLDINGS 9.25 15/ 3/1981	96 3/8	1.05	13.16	9.60			
75	1976 100.00	S.N.C.F. 7.75 15/ 6/1981	94 5/8	1.29	12.41	8.19			
60	1975 100.00	S.N.C.F. 9.00 15/ 4/1981	96 1/2	1.12	12.46	9.33			
60 15.0	1973 100.00	SCHEEPVAART UNIE 6.75 15/ 7/1980	98 1/8	.37	11.86	6.88			15.00 1977
50	1977 100.00	SCHEEPVAART UNIE 8.25 1/ [illegible]/1982	94 5/8	2.08	11.26	8.72			
60	1975 100.00	SCHEEPVAART UNIE 8.75 1/ 6/1981	95 3/8	1.25	12.68	9.17			
30	1976 99.75	SWEDISH EXPORT CREDIT 8.25 1/ 4/1983	93 7/8	3.08	10.67	8.79			
50	1975 100.00	SWEDISH INVESTMENT BANK 8.25 1/ 4/1982	95 7/8	2.08	11.56	9.65			
60	1975 99.50	THYSSEN INVESTMENT 8.50 15/ 5/1982	94 3/8	2.21	11.48	9.01			
100	1976 100.00	WORLD BANK 6.00 1/ 2/1983	92 1/8	2.92	11.30	8.68			

EURO COMPOSITE UNITS

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
60	1974 100.00	EUROPEAN INVESTMENT BANK 8.00 18/ 1/1989	106 1/4	8.88	7.09	7.53	2.47 101 1/2	60F 1981	2.00 PF1975
30	1973 99.50	EUROPEAN INVESTMENT BANK 8.375 27/ 9/1988	107 3/8	8.58	7.18	7.80	101 1/2	60F 1980	1.00 PF1974
20	1973 98.00	MEPC ESTATES & PROP 8.75 15/11/1988	91 1/4	8.71	10.30	9.59	102 1/2	00 1980	.73 PF1974

EURO CURRENCY UNITS

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
30 16.5	1972 99.50	BRAZIL,REPUBLIC OF 8.00 1/ 1/1984	97 7/8	4.00 2.18	8.65 8.14	8.17			3.00 1975
60 38.0	1971 99.50	ENEL 7.25 1/ 5/1986	96 3/8	6.17 3.15	8.01 8.61	7.52	101 1/2	30 1980	5.50 1976
10 7.0	1971 99.50	INTERFRIGO 7.30 12/ 3/1986	96 1/8	8.03 3.46	6.34 8.86	7.80	102	38 1981	.58 1974
30	1975 98.50	ISCOR 9.25 1/12/1980	99 1/2	.75	9.85	9.30			
25 18.0	1971 100.00	SOUTH AFRICA,REPUBLIC OF 8.00 1/ 4/1986	96 1/8	6.08 3.42	8.84 9.39	8.32	102	60 1981	2.00 1975

EURO UNITS OF ACCOUNT

ISSUED/ AMT. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL AMT. (MIO)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIO)/ FIRST S/F DATE
12 9.0	1979 100.00	A.F.E.L. 9.50 21/ 2/1985	99 1/4	4.98 3.14	9.95 10.18	9.67	102	30 1980	1.50 1979
14 16.0	1978 99.25	AUTOROUTES COTE BASQUE 7.00 10/ 7/1993	79 5/8	13.36 9.63	9.81 10.55	8.86	102	60 1985	1.28 1985
30 24.4	1973 98.50	BASS CHARRINGTON 7.00 1/ 3/1991	81 1/8	11.00 7.75	10.03 10.89	8.71	102	60 1980	1.05 PF1974

EURO UNITS OF ACCOUNT (CONTINUED)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
15 11.0	1975 58.00	BRISA-AUTO-ESTRADAS 8.75 6/ 2/1989	93 1/8	8.64 3.39	10.11 10.73	9.49	102	30 1980	1.00 1973
20 16.6	1966 97.50	C.F.E. - MEXICO 0.50 1/ 4/1986 S	142 1/2	6.68 3.33	8.67 10.44	7.37	100 1/4	1980	1.27 1970
5 .6	1968 98.00	C.P.E. (PORTUGAL) 7.00 27/ 6/1980	141 1/4	.30	54.51	7.86			.59 1969
17 15.3	1974 99.50	CONTROUTO 9.00 12/ 3/1989	99 1/8	9.03 9.92	10.60 10.36	9.55	102	75 1900	.68 D71975
28	1978 100.25	COPENHAGEN,CITY OF 7.00 2/ 5/1993	77 7/8	13.27	10.29	9.08	102	75 1985	2.25 PF1981
25	1979* 99.75	COPENHAGEN,CITY OF 8.25 15/ 3/1991	88 1/4	11.21	10.18	9.44	101 3/4	45 1984	2.50 PF1982
50	1976 99.00	COPENHAGEN,CITY OF 8.75 12/ 6/1986	96 1/8	6.25	10.25	9.39	102 1/2	73 1981	1.00 PF1977
25	1975 99.50	COPENHAGEN,CITY OF 9.25 25/ 9/1985	96 7/8	5.57	10.22	9.64	102 1/2	75 1980	1.56 PF1979
10 2.5	1968 98.25	COPENHAGEN COUNTY AUTH 6.873 24/ 5/1980	141 1/4	.23	69.95	7.72	09.95 100	45C 1980	1.30 1969
15 7.0	1969 98.50	COPENHAGEN COUNTY AUTH 7.00 9/ 5/1984	141 1/4	4.19 2.30	10.33 12.77	7.86	101	45C 1980	1.25 1970
12 6.6	1971 100.00	COPENHAGEN COUNTY AUTH 8.00 10/ 2/1986	141 3/4	5.95 3.58	10.49 11.83	8.95	101 1/4	120C 1981	1.00 1972
20	1979* 100.00	COPENHAGEN COUNTY AUTH 8.73 10/ 9/1991	92 1/8	11.53	9.93	9.51	101 3/4	49 1984	.50 PF1900
20	1975 89.50	COPENHAGEN COUNTY AUTH 9.25 23/10/1985	97 3/8	5.65	10.09	9.59	102 1/2	45 1960	1.25 PF1979
50	1975 99.50	COPENHAGEN TELEPHONE 9.50 28/ 5/1985	98 1/8	5.24	10.20	9.78	102 1/2	30 1980	1.15 PF1979
15 7.0	1971 100.00	ELECTRICITY SUPPLY-I.Z. 8.25 7/ 5/1986	142 1/2	6.15 3.16	10.36 12.26	9.16	101 1/2	45C 1980	1.00 1972
25	1976 100.00	ENSO-GUTZEIT 9.25 10/ 2/1984	97 7/8	3.95	10.23	9.54			1.15 PF1977
20 9.4	1971 99.75	ESCOM 8.25 11/ 6/1986	141 3/4	6.28 3.30	10.84 12.33	0.23	105 1/2	450 1900	1.33 1972
12 1.2	1970 100.00	ESCOM 9.25 26/ 6/1980	141 5/4	.32	50.77	10.35			1.20 1971
20 8.5	1966 99.38	EUROPEAN COAL & STEEL 5.75 1/ 1/1986	140 1/2	9.92 3.57	8.20 9.69	6.49	100 1/2	28C 1981	1.30 1972
10	1976 99.00	FUNEN TELEPHONE CO 9.00 15/ 9/1984	97 3/8	4.54	9.98	9.33	101 1/2	73 1981	.50 PF1977
15 11.0	1975 99.75	G.I.S. 9.75 10/ 4/1983	96 2/3	3.11 2.16	10.70 11.07	19.00	102	60 1980	1.50 1976
11 11.0	1979* 260.00	GOTHENBURG,CITY OF 9.125 15/11/1989	90	9.71 7.66	9.92 10.06	9.66	101 3/4	60 1982	.00 1982
10 4.3	1964 98.00	GREATER COPENHAGEN 9.625 15/ 4/1986	140 1/2	4.12 2.15	9.06 11.71	6.35	100	120C 1981	.74 1970
28	1973 100.00	HELSINKI,CITY OF 10.00 31/ 1/1983	99 7/8	2.92	50.44	10.11			2.70 PF1978
12 10.2	1975 106.00	ICELAND,REPUBLIC OF 6.50 24/10/1988	92 5/8	8.69 6.57	9.95 10.26	9.27	102	75 1960	.90 1574
15 13.4	1976 100.00	ICELAND,REPUBLIC OF 9.25 20/ 2/1993	97 7/8	2.95 2.28	10.50 10.88	9.54	100 3/4	30 1960	3.12 1979
12	1976 100.00	ICELAND,REPUBLIC OF 9.15 16/ 7/1986	97 1/8	6.38	10.07	9.62	101 1/4	75 1980	.75 PF1977
12	1974 99.50	ICELAND,REPUBLIC OF L 10.00 20/12/1994	100 3/4	14.81	10.02	10.02	10.38 102	30 1984	
25	1977 100.25	IMATRAN VOIMA 9.50 20/ 6/1997	92 7/8	7.30	10.09	9.24			1.25 PF1980
20	1975 99.75	IMATRAN VOIMA 9.75 25/ 3/1985	98 1/8	5.07	16.19	9.98			2.00 PF1973
15 15.0	1978 100.00	INDUSTRIAL BANK-FINLAND 7.00 5/ 4/1993	78 5/6	13.16 8.60	10.12 11.13	8.99	102	30 1985	1.50 1984
15 13.5	1975 99.00	IND MTGE BANK OF FINLAND 9.50 7/11/1983	98 1/6	3.99 2.58	10.43 16.38	9.78			1.50 1979
25 18.0	1975 99.50	IRELAND,REPUBLIC OF 9.25 7/ 7/1982	97 7/8	2.35 1.85	10.74 11.17	9.54	102	30C 1980	3.13 1978
20 15.0	1974 99.00	IRELAND,REPUBLIC OF 9.73 12/ 6/1984	99	4.28 3.55	10.51 10.45	9.94	101 1/2	120C 1981	1.00 1975
15 14.5	1978 99.50	KOMMUNLANEINSTITUTET 7.50 12/10/1995	83 1/8	13.62 8.25	9.91 10.84	9.11	102 1/2	90 1983	.45 3979
12 10.4	1978 100.00	KOMMUNLANEINSTITUTET 7.75 15/ 1/1993	85 1/6	12.90 6.90	9.96 11.12	9.19	102 1/2	30 1983	.80 1979
15 9.0	1969 97.00	MANITOBA,PROVINCE OF L 7.00 17/ 6/1969	141 1/4	9.30 3.13	8.76 9.81	7.66	162 1/6	90 1960	.75 1910
30 23.7	1975 100.00	MANITOBA,PROVINCE OF 9.25 8/12/1985	97 7/6	5.77 4.33	9.96 10.16	9.54	102 1/2	16 1900	1.86 PF1916
25 25.0	1979* 100.00	MORTGAGE BANK OF DENMARK 9.00 22/11/1991	93 5/8	11.73 9.01	10.11 10.31	9.73	101 5/4	60 1994	1.60 1962
32 3.0	1961 99.06	NORGES KOMMUNALBANK 5.56 15/ 1/1983	139	2.86 1.91	10.71 13.32	6.28	100	160C 1981	.94 1997
15 9.6	1971 98.75	NORGES KOMMUNALBANK 7.45 15/ 3/1989	141 3/4	6.04 3.16	10.19 11.99	8.67	161	120C 1981	1.10 1974
12 10.0	1974 93.50	OSLO,CITY OF 8.875 1/ 4/1592	92 5/8	12.08 6.74	10.08 10.96	9.58	102 1/2	90 1962	.60 1995
15 7.5	1974 100.00	OSLO,CITY OF 10.00 5/12/1981	98 7/8	1.76 1.26	11.30 11.89	16.21			3.75 1978
25 22.0	1975 99.50	OSLO,CITY OF 9.25 15/16/1985	97 1/6	5.92 3.35	16.15 10.65	9.62	102 1/2	75 1980	3.25 1976
20 20.0	1978 99.50	PANAMA,REPUBLIC OF 6.25 7/10/1993	81 1/4	13.59 10.59	11.08 11.52	10.25	102 1/4	66 1984	1.00 1984
20 17.1	1974 98.00	PECHINEY UGINE KUHLMANN 6.75 22/ 2/1969	91 7/8	8.98 6.14	16.34 10.84	9.62	102	60 1980	1.00 1975
40 40.0	1979* 100.00	QUEBEC,PROVINCE OF 9.25 17/12/1994	93 5/8	14.60 10.90	10.22 10.39	9.98	11.27 162	60 1995	1.00 1980
22 22.0	1979 99.50	S.D.R. - FRANCE 7.00 5/ 7/1993	80 3/8	13.55 8.85	9.79 16.67	8.79	102 1/2	60 1984	2.26 1934
24 24.0	1979* 99.50	SDR FRANCE 8.50 27/ 6/1994	91 5/8	14.13 9.82	9.71 10.02	9.37	102 1/4	30 1985	2.40 1985
22 22.0	1975 100.00	S.D.R. - FRANCE 9.15 15/12/1985	97 3/5	5.79 3.84	10.05 10.40	9.59	102	36 1986	2.00 1980
25 21.0	1975 99.50	S.D.R. - FRANCE 9.50 5/ 5/1997	97 5/8	7.18 4.39	10.16 10.47	9.63	102	60 1986	2.00 1978
40 40.0	1979* 99.50	S.F.T.E. 8.25 16/ 4/1969	83 7/8	9.11 7.11	10.91 11.42	9.70	101 3/4	30 1982	8.00 1985
8 4.8	1969 96.00	SCOTLAND HYDRO/ELECTRIC 8.00 16/12/1984	146 3/4	4.76 1.38	11.15 12.27	9.02	101	90C 1980	.65 1976
20 9.3	1970 96.00	SOUTH AFRICA,REPUBLIC OF 8.75 30/12/1982	141 1/4	2.83 1.91	13.63 15.80	9.83	101	120 1980	2.65 1971
20	1975 99.66	STATSFORETAG 9.25 29/12/1985	93 3/8	5.83	8.84	8.49			1.25 PF1979

EURO UNITS OF ACCOUNT (CONTINUED)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
22 5.0	1969 98.00	WATNEY MANN INT FIN 7.00 13/ 6/1984	140 1/4	4.23 2.26	10.37 12.85	7.89	102	90C 1900	1.00 1970

FRENCH FRANCS

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
500 85.0	1975 99.15	AEROSPATIALE P 10.00 6/ 5/1985	92 1/2	5.18 2.71	12.00 13.49	10.81			14.00 1979
120	1979* 99.50	AIR FRANCE 11.00 15/ 9/1984	90	4.54	14.07	12.22	14.68 160 1/1	60 1983	
160 78.0	1972 96.50	B.A.T. INT FIN 7.50 15/11/1987	68 3/8	7.71 5.79	14.57 16.27	10.97	102	50 1980	4.00 DF1973
100 76.0	1972 100.00	BASF TRANSATLANTICA 7.50 1/ 5/1987	72 3/8	7.17 9.06	13.79 15.00	10.36	101 1/2	30 1980	4.00 1974
50 36.0	1972 100.00	BASS CHARRINGTON 7.50 1/ 8/1987	66 3/4	7.42 5.50	15.26 17.31	11.24	102	60 1980	2.00 DF1973
100 83.0	1972 100.00	BRITISH LEYLAND MOTOR 7.50 30/ 9/1987	64 5/4	7.58 4.62	15.75 15.77	11.58	102	60 1980	6.00 DF1977
150	1975 100.73	CHARBONNAGES DE FRANCE 10.00 5/12/1960	97 1/2	.70	15.48	10.26			
00	1975 100.00	CHARBONNAGES DE FRANCE 10.15 15/ 4/1982	93	2.12	14.25	11.02	100 1/2	30 1980	4.80 PF1976
100 86.0	1972 98.06	CHARTER CONSOLIDATED 0/6 7.50 1/10/1987	66 3/8	7.59 5.96	15.25 16.85	11.30	101 1/2	90 1900	5.00 1973
100 80.0	1972 100.00	CIMENTS LAFARGE 7.50 1/ 7/1987	72 3/4	7.33 4.96	13.85 16.10	10.45	102	75 1983	5.00 1975
125	1975 100.00	CREDIT FONCIER DE FRANCE 10.15 27/ 3/1982	92 7/8	2.34	14.10	11.04	101	45 1980	12.50 PF1976
60	1975 100.00	CREUSOT-LOIRE 10.25 17/10/1980	98	.83	13.49	10.46			
100 76.0	1972 99.50	DENMARK,KINGDOM OF 7.50 1/ 9/1987	74 1/4	7.50 5.11	12.93 14.67	10.09	101 3/4	75 1980	6.00 1976
100 85.0	1973 100.00	DENMARK,KINGDOM OF 7.75 15/ 6/1988	73 1/3	8.12 6.04	13.36 14.76	10.60	101 3/4	75 1980	2.50 1974
150 150.0	1978 99.50	ELF AQUITAINE 9.25 14/12/1985	77 1/2	8.79 1.71	14.40 14.82	12.58	100 5/8	30C 1982	16.00 1985
100 86.0	1973 98.50	ENSO-GUTZEIT 8.00 19/ 7/1986	75 3/8	8.38 5.54	12.97 14.79	10.61	101 1/2	60 1981	4.00 DF1974
150	1979* 100.00	EURATOM 9.75 31/ 5/1987	79	7.15	16.60	12.34	161	60 1983	
30 20.0	1963 100.00	EUROPEAN COAL & STEEL 7.00 1/ 1/1980	97 1/2	.33	14.74	7.18	14.74 100	90C 1980	20.00 1970
150 120.0	1972 99.00	EUROPEAN COAL & STEEL 7.25 1/ 4/1987	74 1/4	7.08 3.58	15.02 17.53	9.76	101 1/8	60C 1981	15.00 1978
250 145.0	1973 99.50	EUROPEAN COAL & STEEL 7.00 1/ 7/1991	63 5/8	11.32 8.77	14.09 15.24	11.79	101 1/4	96C 1980	2.50 1978
115 116.0	1975 100.50	EUROPEAN COAL & STEEL 10.00 15/ 6/1982	92 1/2	2.29 2.15	13.97 14.23	10.81	100 1/2	60C 1990	5.00 1977
175 148.3	1972 99.75	EUROPEAN INVESTMENT BANK 7.25 1/ 8/1997	70 3/4	7.42 4.54	13.76 16.96	10.25	101	60 1980	3.75 DF1977
200 158.0	1973 99.25	EUROPEAN INVESTMENT BANK 7.25 15/ 5/1986	69 1/4	8.21 6.22	13.70 15.21	10.47	101 1/8	60 1950	7.00 1971
100 68.0	1971 100.00	EUROPEAN INVESTMENT BANK 7.75 10/12/1981	94	1.26 1.26	11.62 13.16	8.25	100 1/2	60 1980	34.00 DF1972
200	1978 99.50	EUROPEAN INVESTMENT BANK 9.75 1/10/1988	78 1/8	8.99	14.30	12.46	101	30 1982	16.00 PF1979
80	1979* 100.00	FINLAND,REPUBLIC OF 11.00 15/10/1984	89 1/8	4.62	14.32	12.34	100 1/2	99 1982	
70 70.0	1979* 99.75	FINLAND,REPUBLIC OF 11.50 15/10/1980	86 1/4	9.62 8.20	14.17 14.44	15.33	101 1/4	60 1984	10.00 1985
150	1979* 99.50	GAZ DE FRANCE 11.00 10/16/1984	89 3/4	4.67	14.09	12.26	13.87 100 1/2	45 1983	
120	1979* 99.50	IBM FRANCE 11.815 28/12/1984	92 1/4	4.83	14.16	12.87	106 1/2	60 1982	
60 39.5	1971 99.50	L'AIR LIQUIDE 8.25 15/10/1981	93 7/3	5.62 1.12	12.59 14.31	8.79	166 1/2	90 1986	19.75 1972
75 56.3	1972 98.25	MONTREAL CATHOLIC SCHOOL 7.50 1/ 3/1987	74 1/4	7.00 5.13	13.39 15.06	10.10	161	30C 1981	3.75 DF1975
150	1975 100.00	NATIONALE DES AUTOROUTES 9.75 1/ 7/1987	89	7.33	12.36	16.96	103 3/4	45 1986	6.50 PF1976
125 105.0	1972 100.50	NATIONALE DES TELECOMS 7.50 1/ 3/1984	84 1/2	4.00 2.38	12.67 15.84	8.88	101 1/4	96 1980	5.00 DF1776
75 59.0	1972 96.00	NEW ZEALAND,GOVT OF 7.25 1/ 6/1987	74	7.25 4.76	12.97 15.21	9.80	101 1/2	20 1980	4.00 1973
200	1979 100.00	NORWAY,KINGDOM OF 9.25 20/ 2/1984	84 3/8	3.98	14.61	10.93			
100 80.0	1972 99.25	NOVA SCOTIA,PROVINCE OF 7.50 15/ 7/1987	73 5/8	7.27 3.00	13.30 15.43	10.19	101 1/2	90 1900	5.00 1973
100 92.5	1972 99.50	OSLO,CITY OF 7.25 1/ 5/1987	74 1/4	7.00 4.92	13.95 14.84	9.70	101 1/4	90 1980	2.50 1973
130	1975 100.00	PARIBAS 10.25 15/ 7/1982	91 7/8	2.17	14.44	11.16	161	25 1986	10.00 PF1975
175 175.6	1979 161.56	P.S.A. PEUGEOT-CITROEN 9.75 1/ 2/1967	79 1/4	6.92 5.59	14.72 15.58	12.16	106 3/4	90 1983	11.65 1965
56	1973 100.06	PHILIPS LAMPS P 10.15 1/ 9/1980	98 1/4	.50	13.71	16.43			
100 14.0	1972 100.00	PONT-A-MOUSSON 7.50 1/ 8/1987	72 1/8	7.42 4.29	11.99 17.16	16.40	101 5/8	66 1950	7.50 1976
125 107.0	1972 100.06	QUEBEC,PROVINCE OF 7.50 15/ 6/1967	71 1/8	7.29 4.18	14.06 17.83	10.54	101 3/4	30 1936	9.00 DF1978
60 52.6	1972 99.00	READY MIXED CONCRETE 7.75 25/10/1987	67 7/8	7.65 5.26	15.07 17.54	11.42	102	60 1986	4.09 DF1573
200 172.0	1972 99.50	RENAULT 7.25 15/ 5/1987	72	7.04 4.82	13.69 16.00	10.07	161 3/4	46 1953	16.00 DB1973
100	1979* 100.60	RENAULT 9.75 6/ 7/1985	83	5.35	14.49	11.75	160 3/8	66 1983	
100 80.0	1972 100.50	RHONE-POULENC 7.50 15/ 4/1987	71 3/8	7.12 4.15	14.11 16.76	10.51	101 1/4	60 1980	5.00 1973
80	1975 100.00	RHONE-POULENC 10.25 30/ 4/1980	99	.16	15.99	10.35			
130	1979* 100.00	SAINT-GOBAIN-PONT-MOUS'N 9.45 15/ 5/1986	80 7/8	6.21	14.61	12.06	100 1/2	30 1984	
100	1975 99.56	SAINT GOBAIN 10.00 10/11/1986	97 5/8	.70	13.58	16.24			
125	1979* 100.50	SOLVAY ET CIE 9.75 18/ 4/1957	78 1/2	7.15	14.81	12.42	100 3/4	45 1983	62.20 PF1986
50	1975 100.00	S.O.P.A.D. P 9.75 31/ 7/1950	96 1/8	.42	14.25	9.94			
100 88.0	1973 99.50	STAR EUROPEAS FIN 8.06 15/ 6/1933	66	6.29 4.98	15.54 19.15	12.12	102 1/2	96 1980	6.00 1978
100	1975 100.00	PECHINEY UGINE KUHLMANN 10.00 5/ 1/1982	93 1/4	2.85	14.35	10.72	101	10 1950	

FRENCH FRANCS (CONTINUED)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
150	1979* 99.75	TOTAL OIL MARINE 9.375 15/ 3/1987	78	7.04	14.57	12.02	100 1/2	30 1983	8.00 PF1980
100	1978 100.60	UNILEVER NSF INVEST 10.00 17/11/1585	82 1/4	5.72	14.77	12.16	100 1/2	45 1983	
125 125.0	1976 100.00	PEUGEOT 10.00 10/ 2/1983	89 1/2	2.95 2.05	14.62 16.44	11.17	101	30 1900	37.50 1961
150 127.5	1972 99.75	WORLD BANK 7.15 15/ 6/1987	72 3/4	7.29 4.41	13.29 16.36	9.97	101	60 1980	7.50 1977

HONGKONG DOLLARS

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
300	1977 100.00	HONGKONG LAND INTL 7.25 1/ 6/1985	65 1/2	5.25	11.01	6.48	102	30 1982	
200	1977 100.00	JARDINE MATHESON BERMUDA 7.25 15/ 6/1985	85 1/4	5.29	11.06	8.50	102	30 1982	
150	1977 100.00	MANITOBA,PROVINCE OF 6.875 15/ 6/1982	65	2.29	10.42	7.39			

JAPANESE YEN

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
15	1978 100.00	ASIAN DEVELOPMENT BANK 5.75 1/ 9/1983	73 1/8	8.00	50.71	7.86			
10	1979* 99.50	EUROFIMA 6.50 15/ 4/1986	81 3/4	0.12	50.70	7.95			
10	1977 100.60	EUROPEAN INVESTMENT BANK 7.25 1/ 9/1984	88	4.17	10.97	8.24	100 1/2	30 1982	.70 PF1978
15	1979* 99.15	EUROPEAN INVESTMENT BANK 7.75 1/ 9/1983	87 7/8	9.50	9.75	8.82	102	30 1984	1.20 PF1980
20	1977 100.00	WORLD BANK 6.25 15/ 8/1984	83 3/8	4.46	11.16	7.50			

KUWAITI DINARS

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
3 2.0	1977 100.00	AFRICAN DEVELOPMENT BANK 8.75 15/ 5/1987	93 1/4	7.21 6.46	10.50 10.22	9.38	11.01 501	60C 1964	.50 1985
3	1977 100.00	AFRICAN DEVELOPMENT BANK 8.50 15/ 5/1987	96	7.21	9.27	8.85	9.99 100	60 1983	.10 PF1978
4 4.0	1979* 99.75	ASEA 8.60 1/10/1989	91 5/4	9.59 7.12	9.32 9.65	8.72	101 1/2	30 1982	.25 1982
0	1975 99.50	AUTOPISTAS L 8.50 15/ 4/1985	93 1/4	5.12	50.24	9.12	101 1/2	00 1980	
5	1975 99.25	AUTOPISTAS - ATLANTICO L 8.75 1/ 7/1985	59 1/2	5.39	8.85	8.79	101	60 1980	
5	1977 100.00	AUTOPISTA VASCO-ARAGA L 8.75 15/11/1987	97 1/4	7.71	9.23	9.00	101	60C 1980	0.00 PF1978
50	1978 100.00	BANCO NAC CRED RURAL L 8.25 15/ 6/1990	93 3/4	10.29	9.20	8.80	103	30 1980	.30 PF1979
7	1978 100.00	BANCO NACIONAL DE OBRA L 8.25 15/ 4/1990	93 7/8	10.12	9.20	8.79	103	30 1980	.30 PF1979
6	1976 99.75	BANCO NACIONAL DE OBRAS 8.90 15/ 4/1986	93 3/4	6.12	8.76	8.61	101	60 1980	.30 PF1977
5	1976 99.75	BANK HANDLOWY W WARS 8.75 15/ 2/1986	97 1/2	5.96	9.31	8.97	101 1/2	60 1981	0.00 PF1977
4	1977 99.00	BANK HANDLOWY W WARS 9.00 1/ 4/1987	96 3/4	7.08	9.65	9.30	101 1/2	60 1982	.50 PF1978
5 2.5	1976 99.75	BEOGRADSKA BANKA 9.00 15/ 8/1981	98 7/8	1.46 .96	9.78 10.28	9.10			1.25 1978
7 7.0	1975 99.50	BQUE DEVT ECON TUNISIE 8.00 15/12/1985	87	5.79 5.22	10.37 50.59	8.89	102	90C 1983	1.60 1983
7 6.1	1976 100.00	BQUE DEVT ECON TUNISIE D 8.50 13/ 7/1981	98 1/4	1.37 1.33	9.84 50.03	8.65	100 1/2	50C 1980	.48 1979
8	1973 100.90	BQUE NAT D'ALGERIE L 8.25 15/ 6/1990	94 7/8	50.29	9.02	8.70	101 1/2	45 1980	.15 PF1980
16 8.0	1975 100.00	BQUE NAT D'ALGERIE 8.50 1/ 7/1983	97 1/4	3.33 1.83	9.47 16.21	8.74	101 1/2	60 1900	2.00 1979
10 10.0	1979* 100.00	O.S.P. 7.75 15/ 6/1989	90 1/2	9.29 6.54	9.31 9.71	8.56	101 1/2	90 1983	.50 1982
10	1978 100.06	NAT ALGERIE NAVIGATION 8.50 15/ 6/1990	92 5/4	10.71	9.60	9.18	101 1/2	60C 1982	
7 7.0	1976 100.06	NAT ALGERIE NAVIGATION 0.75 15/ 5/1986	93 1/8	6.21 3.71	9.16 9.37	8.92	100	30C 1980	1.17 1981
10 10.0	1979* 100.00	O.C.C.E. 8.00 15/ 9/1994	89 3/4	14.54 15.97	9.30 9.46	8.91	101 1/2	60 1982	.50 1985
10	1979 99.50	CESP-COMP ENER S PAULO L 6.125 15/ 5/1991	89 1/4	11.04	8.76	9.10	102	30 1982	.40 PF1980
6	1979* 99.50	CREDIT LYONNAIS 8.00 15/10/1987	93 1/4	7.62	9.26	8.58	101 1/4	60 1982	.48 PF1980
10 10.0	1976 99.38	CREDIT IMMOBILIER 8.375 1/ 9/1988	88 3/8	8.42 6.82	10.50 10.86	9.48	102	60 1981	1.00 1984
3	1976 99.50	CREDIT IMMOBILIER D 8.50 1/ 7/1986	98 1/8	6.35	8.88	8.66	101 1/2	60 1900	.15 PF1977
6 6.0	1979* 99.73	CREDIT IMMOBILIER 8.75 15/ 6/1989	89 3/4	9.46 6.31	10.49 10.94	9.75	102	60 1982	.75 1981
7	1973 99.75	DEVT BANK PHILIPPINES L 8.50 1/16/1990	90 3/4	10.59	9.94	9.37	101	60 1981	.30 PF1979
10	1978 100.35	ELETROBRAS - BRAZIL L 6.25 15/10/1990	92	16.62	9.46	8.97	102	30 1951	.40 PF1979
7	1978 100.00	FINNISH EXPORT CREDIT 7.15 15/ 5/1983	93 1/4	3.21	9.78	7.77			
5 5.0	1975* 89.50	FINNISH MUNICIPALITIES 7.56 1/ 4/1989	89 1/4	9.68 3.99	9.30 9.97	8.40	101 3/4	90 1982	.50 1982
4 3.0	1975 99.50	ICELAND,REPUBLIC OF P 8.75 1/12/1982	58 5/8	2.75 1.78	9.52 9.88	8.52	100 1/2	1980	1.30 1980
7	1979* 99.75	INDONESIA,REPUBLIC OF L 8.75 15/ 7/1991	93 1/4	11.37	9.74	9.38	102	66 1982	.35 PF1980
6 6.0	1978 169.50	INDUSTRIAL BANK-FINLAND 7.50 15/ 1/1989	89 1/4	8.88 5.78	9.39 10.17	8.40	103	90 1985	.60 1982
8	1976 100.00	INDUSTRIAL BANK-KUWAIT 6.75 25/ 3/1981 6	97 1/4	1.07	9.72	7.06			
10	1978 100.00	INDUSTRIAL BANK-KUWAIT 7.50 9/ 3/1983 8	94	3.02	10.06	8.14			
12 12.0	1978 100.00	INDUSTRIAL BANK-KUWAIT 7.50 15/ 6/1988	90 1/8	8.29 6.29	9.24 9.65	8.32	101 3/4	1961	2.40 1984
5 5.0	1977 99.75	JUGOBANKA 8.75 1/12/1983	96	3.75 1.55	16.06 16.61	9.11			1.00 1980
12	1979* 99.75	KOREA DEVT BANK L 7.875 15/ 3/1989	94	9.04	8.86	8.69	101 1/2	30 1982	.48 PF1960
5 2.5	1976 99.75	LJUBLJANSKA BANKA 9.00 15/ 5/1981	96 7/8	1.04 .54	10.17 11.46	9.10			1.25 1978
16 10.0	1979* 99.50	MITSUBISHI HEAVY IND 7.50 1/ 8/1964	91 3/4	4.42 3.92	9.87 10.94	8.17	161	30 1982	2.50 1981
6 6.0	1976 100.00	NACIONAL FINANCIERA P 8.25 1/10/1983	97 1/2	3.59 2.59	9.57 9.85	8.97	102	90T 1960	2.00 1981

KUWAITI DINARS (CONTINUED)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
12 12.0	1979* 99.50	NORGES KOMMUNALBANK 7.50 15/ 5/1989	89 1/4	9.21 6.62	9.28 8.78	8.40	101 1/2	90 1982	1.00 1983
7	1979* 99.15	OCCIDENTAL INT FIN L 8.25 15/ 5/1991	88 3/8	11.21	10.01	9.34	101 1/2	30 1982	.56 PF1981
50 9.6	1978 100.60	OSLO,CITY OF 7.625 15/12/1990	90 3/4	50.79 7.19	9.99 9.45	8.40	103	60 1981	.50 1979
6	1978 99.00	PANAMA,REPUBLIC OF L 8.50 1/11/1990	91 1/4	10.75	9.84	9.33	102	60 1981	2.00 PF1979
4	1976 99.75	PANAMA,REPUBLIC OF P 9.00 15/ 1/1987	98 3/8	6.88	9.32	9.15	101 1/2	60 1982	.25 PF1978
5	1970 99.75	PANAMA,REPUBLIC OF L 9.00 15/ 1/1988	97	7.88	9.55	9.28	101 1/2	60 1983	.25 PF1980
7	1977 100.00	PETROLEOS MEXICANOS L 0.50 15/12/1987	97 3/8	7.79	8.97	8.75	9.59 100	60 1982	
7 0.0	1975 100.00	PETROLEOS MEXICANOS 8.75 1/ 7/1985	98 5/8	5.33 2.83	9.07 9.32	8.87	102 1/2	30 1980	1.00 1979
5	1977 99.50	PHILIPPINES,REPUBLIC OF 9.00 15/ 4/1988	96 5/8	3.12	10.30	9.31	101	60 1983	.25 PF1978
5 3.0	1976 560.00	PRIVREDNA BANKA P 9.25 1/11/1982	99 3/4	2.67 1.67	9.76 10.03	9.37			1.00 1978
10 50.0	1976 100.00	SAMIR-MOROCCO 8.75 1/12/1986	97 1/2	0.75 4.25	9.25 9.49	8.97	100 1/2	90C 1960	1.67 1981
7 7.0	1978 100.00	SAMIR-MOROCCO L 8.50 1/ 3/1988	95 3/8	8.00 5.50	9.35 9.64	8.91	101	90C 1981	1.17 1983
12	1976 100.00	SONATRACH L 8.50 1/ 4/1990	91 1/4	10.00	9.81	9.32	101 1/2	30 1980	.25 PF1980
7	1976 99.75	TURKISH PETROL 9.00 15/ 5/1986	91 5/8	6.21	10.91	9.82	101	45 1981	
7 7.0	1979* 99.50	TVO POWER 7.875 15/ 9/1989	88 1/4	9.34 7.33	9.63 10.00	8.82	102	30 1983	.60 1983
6	1975 100.00	TVO POWER 8.75 1/ 9/1980	99 1/2	.50	9.60	8.79	102	90 1980	

KRONER (DENMARK)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
225 159.4	1972 85.50	COPENHAGEN,CITY OF 6.25 1/ 9/1987	86	7.50 4.21	8.87 10.52	7.27	101 1/2	90C 1980	18.75 1976

KRONER (NORWAY)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
80	1979* 100.00	NORDIC INVESTMENT BANK 10.00 15/ 1/1985	99 1/8	4.86	10.22	10.09			
20	1980* 100.00	NORDIC INVESTMENT BANK P 16.00 15/ 2/1985	99	4.86	10.26	10.10			
220 176.0	1975 100.00	NORGES KOMMUNALBANK 8.75 1/ 5/1987	99	7.00 5.71	8.85 9.10	8.84	102 1/2	90C 1981	22.00 1978
100 100.0	1980* 100.00	OSLO,CITY OF 10.25 15/ 2/1990	98 1/2	9.96 5.46	10.50 50.64	10.41	10.69 100 3/4	60 1986	10.00 1981

LUXEMBOURG FRANCS

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
500 500.0	1979* 100.00	AKZO 9.25 25/10/1987	92 1/2	7.65 6.39	10.71 10.93	10.00	100 3/4	60C 1983	30.00 1981
800 000.0	1972 100.00	ARBED FINANCE 6.50 16/ 6/1987	80 3/4	7.29 4.41	10.38 12.41	8.05	102	90C 1981	110.00 1981
600	1975 98.00	ARBED FINANCE 6.75 15/ 9/1980	96	.54	14.69	7.03	100	1980	
	1975 99.50	ARBED FINANCE D 8.15 26/10/1983	92 1/8	3.64	10.95	8.96	101	45 1980	75.00 PF1978
750 690.0	1976 100.00	ARBED FINANCE D 8.75 30/ 7/1984	93 5/8	4.41 4.04	10.60 10.76	9.35	101	30 1980	20.00 1977
400 320.0	1972 100.00	ASIAN DEVELOPMENT BANK 9.75 25/ 4/1987	82	7.15 5.65	10.45 13.29	8.23	101 3/4	30C 1980	40.00 1978
500 375.0	1973 99.25	BERGEN,CITY OF 7.50 10/ 4/1991	82	11.11 6.61	10.29 11.54	9.15	101 3/4	90C 1984	25.00 1975
500 400.0	1972 100.00	BURMAH OIL 7.00 30/ 6/1987	76	7.33 3.83	12.50 15.76	9.22	101 3/4	43C 1980	50.00 1978
500	1978 100.00	COPENHAGEN TELEPHONE D 8.00 24/ 5/1988	84 7/8	8.00	50.91	9.43	102 1/2	450 1983	50.00 PF1984
500	1979 100.00	COPENHAGEN TELEPHONE 6.15 28/ 2/1989	86 1/8	8.00	10.79	9.58	102 1/2	450 1984	50.00 PF1985
500 466.0	1972 99.75	COUNCIL OF EUROPE 7.00 15/ 9/1987	79 1/2	7.54 4.04	11.14 13.95	8.81	102	30 1980	50.00 1978
300 200.0	1974 99.75	COUNCIL OF EUROPE 10.00 20/12/1981	98 1/8	1.81 1.31	11.15 11.46	10.19			100.00 1979
800 640.0	1972 160.00	DENMARK,KINGDOM OF 6.75 14/ 8/1987	74 5/8	7.45 3.95	12.08 15.85	9.05	102	50 1980	80.00 1978
500	1979* 100.00	EURATOM 8.00 22/ 3/1987	87	7.06	10.71	9.20	101	60 1983	
500	1979* 100.06	EURATOM 9.75 8/ 1/1988	98	7.86	10.12	9.95	10.61 101	60 1984	
400 560.0	1973 99.66	EUROFIMA 6.75 30/ 5/1988	82 3/4	8.25 4.25	9.89 11.16	8.16	102	30C 1980	40.00 1979
500 500.0	1978 100.00	EUROFIMA D 7.56 24/ 5/1988	83 3/8	6.15 6.23	10.61 11.35	9.00			100.00 1984
500 500.0	1979* 99.75	EUROFIMA 6.50 18/ 7/1989	90 3/8	5.38 6.88	10.12 10.19	9.41			250.00 1983
500 500.0	1975 100.00	EUROFIMA D 9.75 24/ 1/1983	97 1/2	2.90 1.65	10.79 11.30	10.00			175.00 1981
400 320.0	1972 99.00	EUROPEAN COAL & STEEL 6.75 15/12/1987	85 3/4	7.79 4.29	9.82 11.79	8.06	101 1/4	1930	40.00 1978
800 600.0	1973 99.00	EUROPEAN COAL & STEEL 7.00 15/ 3/1985	76 1/4	5.04 2.54	13.84 19.83	9.18	100 3/4	70C 1981	100.00 1978
800 720.0	1973 99.25	EUROPEAN COAL & STEEL 7.00 1/ 7/1988	72	8.33 4.33	12.60 16.49	9.72	101 1/2	70C 1980	80.00 1979
506 470.0	1975 98.50	EUROPEAN COAL & STEEL 7.25 20/12/1988	83 1/8	8.81 6.25	50.24 11.14	8.72	101 1/2	60C 1980	70.00 1977
300 111.0	1971 106.00	EUROPEAN COAL & STEEL 7.75 18/ 8/1983	87 5/8	3.47 1.96	12.30 15.54	8.84	100 1/2	1980	43.00 1977
250	1979 100.00	EUROPEAN COAL & STEEL 7.75 27/ 7/1988	84 1/4	8.41	10.66	9.20	102	90 1980	
600 600.0	1978 99.25	EUROPEAN COAL & STEEL 7.75 20/10/1988	85 1/4	8.64 6.64	10.40 10.97	9.09	101	1984	25.00 1980
500 500.0	1977 100.00	EUROPEAN COAL & STEEL D 8.50 25/ 5/1987	89 5/8	7.15 6.03	10.61 10.93	9.48	101 1/4	1982	40.00 1982
500	1979* 99.75	EUROPEAN COAL & STEEL 8.75 26/ 9/1987	91	7.58	10.51	9.62	11.68 100 3/4	60C 1984	
500 500.0	1975 99.25	EUROPEAN COAL & STEEL D 9.00 12/ 3/1985	94 7/8	5.03 2.63	10.35 11.39	9.49	101	72C 1981	80.00 1980
500 480.0	1976 100.00	EUROPEAN COAL & STEEL 6 9.50 5/11/1984	96 7/8	4.68 4.16	10.35 10.46	9.81	101	30 1980	20.00 1979
300 150.0	1974 99.50	EUROPEAN COAL & STEEL 10.00 30/10/1981	99	1.67 1.17	10.61 10.96	10.10			75.00 1978

LUXEMBOURG FRANCS (CONTINUED)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
400 320.0	1972 99.00	EUROPEAN INVESTMENT BANK 6.75 15/12/1987	84	7.19 4.29	9.77 11.30	8.04	102	90T 1983	40.00 1978
400 250.0	1971 96.00	EUROPEAN INVESTMENT BANK 7.60 15/10/1986	87 5/6	0.62 3.62	9.65 11.41	8.01	102	90C 1982	46.00 1977
800 640.0	1973 98.50	EUROPEAN INVESTMENT BANK 7.00 1/ 2/1988	72	7.92 4.42	12.83 16.39	9.72	101 1/2	70T 1981	80.00 1979
600 760.0	1973 98.25	EUROPEAN INVESTMENT BANK 7.00 1/ 6/1988	72	8.25 4.46	12.64 16.28	9.72	101 3/4	76T 1980	80.00 1979
500 450.0	1972 99.50	EUROPEAN INVESTMENT BANK 7.00 1/ 8/1986	85 1/8	8.42 4.42	9.65 11.44	8.22	11.65 102	30 1984	50.00 1979
500 475.0	1978 99.00	EUROPEAN INVESTMENT BK D 7.75 15/ 3/1988	84 1/2	8.04 6.14	10.72 15.39	9.17	101	45C 1983	25.00 1979
500	1977 99.00	EUROPEAN INVESTMENT BK D 8.00 10/ 8/1987	86 1/8	7.44	10.78	9.29	101	45C 1962	15.00 PF1976
600	1979 100.25	EUROPEAN INVESTMENT BANK 8.00 1/ 2/1991	84 1/8	10.92	10.51	9.51	101 1/4	30C 1985	20.00 PF1980
500 483.0	1975 100.00	EUROPEAN INVESTMENT BK D 8.75 23/ 5/1985	93 5/8	5.23 5.01	50.37 10.44	9.35	102	30C 1980	16.00 PF1977
600	1980* 100.00	EUROPEAN INVESTMENT BANK 9.75 25/ 1/1988	100 1/4	7.90	9.70	9.73	9.88 101	45 1984	
400 265.0	1974 100.00	EUROPEAN INVESTMENT BANK 10.00 15/11/1981	98 1/8	1.71 1.20	11.19 12.77	10.19			135.00 DF1979
800 640.0	1972 99.25	GRAND METROPOLITAN HOTEL 6.75 1/ 9/1987	76	7.50 4.00	11.71 15.15	8.88	102	75 1980	80.00 DF1978
600 488.0	1972 98.50	INDUST FUND OF FINLAND 7.00 15/10/1987	77	7.62 4.12	11.70 14.83	9.09	101 3/4	90C 1980	60.00 1976
400	1976 100.00	INTERMOSELLE FINANCE 3.50 16/ 3/1985	95 1/4	3.02	10.41	8.92	101	45C 1991	20.00 PF1979
400 400.0	1975 100.00	INTERMOSELLE FINANCE 9.03 15/ 4/1985	94 3/8	5.12 3.12	10.46 11.21	9.54	101	60C 1981	60.00 1981
800 640.0	1972 99.00	INT STANDARD ELECTRIC 0.50 17 9/1987	67 1/2	7.50 4.00	13.67 18.70	9.63	102	75 1980	80.00 1978
400 400.0	1977 100.00	LUXAIR FIN D 8.50 15/ 4/1987	92 5/8	7.12 3.62	9.99 11.09	9.19	11.71 101	45C 1983	50.00 1980
400 380.0	1973 98.00	MORTGAGE BANK OF DENMARK 7.50 6/11/1983	50 1/8	6.68 4.68	9.19 10.34	8.32	102 1/4	60 1960	40.00 1979
500 500.0	1978 99.50	NORGES KOMMUNALBANK 8.00 6/12/1985	90	6.77 4.77	16.10 50.74	8.89	101 1/2	50C 1981	100.00 1982
800 625.0	1972 99.25	OSLO,CITY OF 6.75 29/ 9/1987	75	7.58 5.37	12.43 14.25	9.25	101 3/4	90C 1980	25.00 1973
500 500.0	1979* 99.50	OSLO,CITY OF 8.00 20/ 4/1989	89 3/3	9.11 5.61	9.21 10.61	8.55	102 1/2	250 1984	30.00 1910
500 440.0	1977 99.25	OSLO,CITY OF P 8.50 4/ 2/1937	94 1/8	7.01 4.19	9.69 50.31	9.03	102 1/2	30C 1982	30.00 1978
500	1979* 100.00	PHILIPS INTL FIN 8.00 8/ 5/1969	84 5/4	8.19	13.67	9.44	101	30 1983	27.00 PF1985
500	1975 100.00	PHILIPS INT FIN D 8.75 15/ 5/1985	92 1/4	5.21	50.35	9.49	101 1/2	90C 1981	100.00 PF1982
800 640.8	1972 99.00	REED INTERNATIONAL 6.75 10/ 9/1987	70 1/2	7.53 4.03	13.13 17.53	9.57	101 3/4	60C 1990	80.00 1978
500 500.0	1978 100.00	RENAULT ACCEPTANCE 7.75 13/ 7/1988	82 7/8	8.37 0.37	10.96 11.69	9.35	102 1/2	30 1981	100.00 1984
500	1975 100.00	RENAULT FINANCE 8.75 6/ 7/1985	91	5.35	11.04	9.62	102	1980	30.00 PF1976
500 500.0	1975 100.00	S.D.R. - FRANCE 8.75 20/ 8/1985	92 7/8	5.47 2.47	10.50 11.30	9.42	101	30C 1984	100.00 1981
500 400.0	1972 99.00	SLATER WALKER INT FIN 7.25 15/10/1987	62 3/4	7.62 4.12	16.02 21.00	11.55	102	90 1980	50.00 1976
500	1978 99.50	SCHEEP VIBRUCK B.V. 8.00 10/11/1985	88	5.70	10.92	9.09	100 3/4	60 1982	
500 500.0	1978 99.50	SWEDISH INVESTMENT BANK 8.50 6/ 9/1988	86 3/8	9.52 6.52	10.48 11.02	9.26	101 1/2	30C 1983	100.00 1984
250	1979* 100.00	TVO POWER P 8.50 30/ 4/1986	82 3/4	6.16	12.68	10.27	101	45C 1982	
500 500.0	1979* 100.00	VOLVO 9.75 23/11/1987	96 3/4	7.75 6.15	16.36 10.49	10.08	11.29 102	30C 1983	50.00 1983

SAUDI RIYALS

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
300	1975 99.00	AUTOPISTAS L 8.25 15/ 5/1982	98 1/2	2.21	9.00	8.88	101 1/2	1980	
100 63.0	1975 100.00	BQUE NAT DEVT ECON L 8.50 1/ 9/1983	93 1/4	3.50 2.09	9.07 9.45	8.65	100 1/2	30 1950	16.00 1978
50 00.0	1975 100.00	NAT ALGERIE NAVIGATION L 6.00 15/ 3/1983	94 3/4	5.21 3.70	9.41 9.74	8.97	100 1/2	60C 1980	8.50 1963
150 150.0	1977 100.00	NAT ALGERIE NAVIGATION L 8.75 15/ 6/1987	95 3/4	7.29 4.79	9.57 9.89	9.14	100	1950	25.00 1982
35	1977 100.00	INTERBERG (BERMUDA) 9.00 1/ 6/1982 5	97 1/4	2.25	10.65	9.47	102	30 1990	1.50 PF1978
100 100.0	1977 100.00	SAMIR-MOROCCO L 8.50 1/ 4/1987	96 1/4	1.05 9.08	9.24 9.49	8.63	101	90 1930	20.00 1963

STERLING/DM

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
7 1.3	1966 97.75	IRELAND,REPUBLIC 11.24 7.00 1/ 3/1981	98	1.00 .31	9.17 11.46	7.16	100 1/2	90 1980	.58 1970
13 10.0	1973 98.00	IRELAND,REPUBLIC 7.5508 7.00 15/ 1/1933	93 1/2	7.88 4.38	8.16 8.66	7.49	101 1/4	45C 1961	1.25 1979
50 7.6	1972 99.75	MEPC ESTATES & PROP 7.758 6.73 15/ 0/1987	83	7.46 4.42	9.01 10.24	7.67	105	90 1900	.60 1975
7 1.7	1967 97.70	NEW ZEALAND,GOVT 11.11 6.75 14/ 3/1982 0	96 3/4	2.04 1.05	8.70 10.31	7.50	10.87 100 1/2	90T 1981	.55 1970
6 1.9	1963 98.80	SIPA-CUBA 9.65 7.25 1/ 3/1983 S	97 1/8	3.00 1.89	8.52 9.14	7.60	100	30C 1980	.66 1971
5 1.7	1964 92.00	TURIN,CITY OF 11.06 6.50 15/50/1984 S	91	4.82 2.96	9.11 50.70	7.27			.33 1970
5 .5	1965 97.00	U.S. RUBBER CORPORATION 11.13 9.00 31/ 7/1930 S	98 3/4	.42	9.29	6.17			.50 1971

AUSTRALIAN DOLLAR/DM

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
30 24.0	1972 100.00	METAL & INDUSTRIES BANK 6.50 15/ 6/1987 S	96	7.46 3.96	7.33 7.84	8.89	101 1/2	30 1980	3.00 1978

EXTERNAL STERLING ISSUES

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
50 6.8	1972 98.00	AMOCO INT FIN 6.00 1/ 5/1987	93 3/4	7.17 4.12	9.22 9.72	8.53	100 1/4	30 1980	.00 DF1974
20 19.4	1978 99.50	CITICORP O/S FIN 10.00 15/ 3/1993	76 1/4	13.04 9.66	14.07 14.77	13.11	102	30 1984	.20 PF1979
50 50.0	1980* 100.00	CITICORP O/S FIN 13.50 1/ 2/1995	91 5/8	9.92 6.92	15.17 15.34	14.75	16.30 102 1/2	00 1985	2.00 DF1984
20 19.0	1977 98.00	COURTAULDS INT FIN 9.75 15/12/1989	75	9.79 7.36	14.70 15.60	13.00	101 1/1	45C 1982	1.00 DF1973

EXTERNAL STERLING ISSUES (CONTINUED)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
20 18.7	1977 100.03	EUROPEAN COAL & STEEL 9.625 1/12/1989	74 3/8	9.73 7.97	14.71 15.53	12.94	101 1/2	22C 1982	.65 DF1978
25 22.5	1973 100.00	EUROPEAN INVESTMENT BANK 9.75 15/ 2/1988	77 5/8	7.96 6.64	12.69 15.37	12.56	101	30C 1983	1.25 DF1979
25	1977 99.75	EUROPEAN INVESTMENT BANK 9.75 15/12/1992	76 3/8	12.79	13.76	12.77	102	30 1987	2.00 PF1978
25	1979* 99.00	EUROPEAN INVESTMENT BANK 11.50 15/ 6/1991	80 1/2	11.29	15.28	14.29	101	30C 1986	2.50 PF1980
15 15.0	1979* 160.00	EUROPEAN INVESTMENT BK P 12.00 15/ 7/1991	84 3/8	11.57 9.19	14.69 15.23	14.22	16.15 101	90C 1986	.75 DF1980
15 15.0	1978 99.50	FINAN MAAT D'ONTWIKKELING 10.25 15/ 3/1990	78 5/8	10.04 7.94	14.40 15.04	13.04	101 1/2	60 1983	.50 DF1983
20 19.0	1977 99.50	FINANCE FOR INDUSTRY 9.75 15/12/1987	78	7.79 6.11	14.64 15.57	12.50	101 1/2	45 1982	1.00 DF1979
12 12.0	1978 100.00	FINANCE FOR INDUSTRY 10.00 15/ 3/1989	78 3/8	9.04 6.98	14.42 15.23	12.76	101 3/4	45 1982	.72 DF1981
30 30.0	1979* 99.25	FINANCE FOR INDUSTRY 12.50 1/ 3/1989	86 2/4	9.33 8.21	15.31 15.41	14.41	101 1/2	45 1983	1.13 DF1981
15 15.0	1979* 100.00	FINANCE FOR INDUSTRY 13.00 15/ 3/1991	91 1/3	11.02 3.04	14.66	14.27	102	45 1983	1.00 DF1982
20 20.0	1980* 99.20	FINANCE FOR INDUSTRY 14.50 1/ 3/1995	96 1/2	9.50 9.15	15.29 15.43	15.03	15.41 102	45 1985	1.50 DF1981
50	1977 100.00	FISONS INT FIN 10.25 15/12/1987	79 5/8	7.59	14.20	12.87	101 1/2	45 1982	
50 50.0	1979* 100.00	GEC-GENERAL ELECTRIC CO 12.50 15/ 3/1989	88 7/6	9.04 7.24	14.90 15.23	14.06	102	45 1983	2.50 DF1981
10 10.0	1978 100.00	GESTETNER HOLDINGS BV 11.00 15/ 5/1988	83 1/2	8.21 6.51	14.54 15.01	13.17	101 1/2	60 1983	.20 DF1981
50	1978 100.00	ICI INTL HOLDINGS 50.00 1/ 3/1988	78	8.00	14.63	12.82	102	33 1982	
15 17.4	1976 200.25	ROWNTREE MACKINTOSH INT 10.25 15/ 2/1988	81	7.96 6.37	14.41 15.16	12.65	101 1/2	45 1983	.60 DF1550
15	1978 100.00	SEARS INT FIN 10.15 15/ 2/1988	79 5/4	7.86	14.73	12.85	101 1/2	45 1983	
25	1977 100.00	TOTAL OIL MARINE 9.125 1/12/1984	83 7/8	6.75	13.29	10.69	101 1/2	30 1981	1.50 DF1978
15 15.0	1976 100.00	WHITBREAD & CO 10.50 15/ 4/1990	79 5/3	10.12 7.62	14.43 15.19	13.19	101 1/2	45 1982	.75 DF1981

SPECIAL DRAWING RIGHTS

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Price	Life/Average life	Yield to maturity/Yld. to aver. life	Current yield	Yield to next call/Next call price	Call not (days)/Next call date	Next S/F amount (mn)/First S/F date
50	1975 100.00	ALUSUISSE INT 9.05 15/ 6/1980	97 1/8	.29	19.32	9.27	101	30 1980	
50	1975 100.00	ELECTRICITE DE FRANCE 9.00 15/ 7/1980	89 3/4	2.38	12.86	10.03	101	33 1980	
00	1979* 99.50	FINLAND,REPUBLIC OF 8.75 15/ 3/1984	89 5/8	4.12	12.07	9.76			
20	1979* 100.00	NORDIC INVESTMENT BANK 9.00 15/ 3/1984	92	4.04	11.93	9.69	101	50 1982	
40 30.0	1979 100.00	SWEDISH INVESTMENT BANK 9.00 1/ 7/1982	96 3/4	2.33 1.33	10.59 11.67	9.30	102	30 1980	10.00 1979
25	1978 100.00	SWEDISH INVESTMENT BANK 9.00 1/12/1985	93 1/8	5.75	10.63	9.66	102 1/2	30 1982	.75 PF1980

CONVERTIBLES-DENMARK

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
20 20.0	1973 100.00	NOVO INDUSTRI 7.00 15/ 1/1989	54 225	8.33	9.77	104	30 1980	-0.04	DKR 259 15/ 4/1979

CONVERTIBLES-FRANCE

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
100 50.0	1972 100.00	GERVAIS DANONE FF 5.00 15/ 6/1987	75 1/4 951	6.64 4.23	9.92	104	60 1980	28.69 1978	FF 1500 15/ 9/1972
51 27.0	1969 100.00	[illegible] INT DEV 6.00 3/ 1/1983	91 3/4 798	6.54 5.14	8.12	102	60 1980	5.00 1976	FF 1216 1/ 4/1970
30 30.0	1970 93.50	SHES ET L'UNION PARIS 7.00 15/ 5/1985	91 1/4 65.21	7.67 39.10	9.17	102	30 1980	-9.79	80 64.47 30/ 6/1970

CONVERTIBLES-HONG KONG

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
20 20.0	1974 100.00	ASIA NAVIGATION INT 6.50 1/ 3/1589	67 7/8 6.15	9.58	12.68	101 1/2	60 1980	4.24	HKS 9.7 2/ 9/1974

CONVERTIBLES-JAPAN

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
00 40.0	1980* 100.00	AJINOMOTO 7.75 31/ 3/1995 S	68 7/8 546	8.91	9.39	103	30 1985	4.18	YEN 619 11/ 2/1980
30 30.0	1975 100.00	ASAHI CHEMICAL L 6.25 30/ 9/1990 S	159 1/2 196	3.96 5.10	.48	* 103 1/2	30 1980	-5.26	YEN 140.2 1/ 4/1976
20 20.0	1977 100.00	ASAHI OPTICAL 6.00 31/ 3/1992	133 1/8 520	4.67 2.31	3.61	* 104	30 1980	-7.05	YEN 430 1/ 5/1977
30 31.0	1979* 100.00	ASAHI OPTICAL 7.00 31/ 3/1994	77 1/4 520	9.00 2.31	10.01	104	30 1982	2.46	YEN 695 1/11/1979
15 15.0	1978 100.00	ASICS CORP 5.75 20/ 1/1993	61 3/4 335	9.31	11.61	104	45 1982	1.07	YEN 541 1/ 9/1978
50 79.9	1975* 100.00	CANON 6.75 31/12/1994 S	98 3/8 625	6.95 .96	7.04	105	30 1982 DF1987	4.29	YEN 570 23/ 8/1979
15 .3	1971 100.00	DAI NIPPON PRINTING 6.75 31/ 5/1986 S	339 1/2 515	1.70 1.75		* 102 1/2	10 1980	-2.25	YEN 160.3 1/ 5/1971
20 20.5	1976 100.00	DAIEI INC 6.00 31/ 8/1991 S	109 5/8 840	5.55	4.95	* 104	30 1980	4.77	YEN 957.2 1/ 9/1976
50 50.0	1979* 100.00	DAIEI INC 6.50 31/ 8/1994 S	88 1/2 840	7.48	7.99	104	30 1982	20.54	YEN 1070 1/12/1979
15 12.7	1976 106.00	DAIWA HOUSE INDUSTRY 7.25 31/ 3/1991 S	77 317		9.64 21.16	104 1/2	45 1980	9.84 1982	YEN 541 1/ 6/1976
30 6.2	1969 100.00	HITACHI LTD 6.25 30/ 9/1984 D	178 232	3.54 2.38		* 100 1/2	20 1980	-5.66	YEN 191.1 1/ 1/1970
10 10.0	1977 100.60	HITACHI ELECTRIC WORKS 6.25 30/ 9/1992 S	124 295	5.21	2.98	* 104	50 1980	-7.11	YEN 221 1/ 1/1978
20 30.0	1979* 100.00	HONDA MOTOR 3.20 1/ 3/1989 S	68 3/4 574	6.29 1.57	7.35	102	45 1984	2.66	YEN 532 1/ 5/1979
50 30.0	1978 100.00	ITO-[illegible] 5.75 31/ 8/1993 S	83 2150	7.05 1.27	7.96	104 1/4	30 1982 DF1986	.19	YEN 1208.7 30/ 6/1978
50 50.0	1977 100.00	ITO-YOKADO 6.00 31/ 9/1992 S	103 5/8 1150	5.37 1.27	5.67	104 1/2	50 1980 DF1985	-3.64	YEN 1156.2 30/ 9/1977
50 50.0	1977 100.00	JUSCO 6.00 20/ 2/1992	83 3/8 751	7.20	8.24	104	45 1980	-1.56	YEN 977.6 1/ 7/1977
20 20.0	1977 100.00	KAO SOAP CO 6.00 32/ 9/1992 S	79 1/2 200	7.69	8.90	104	30 1980	1.85	YEN 328.2 1/10/1977
50 50.0	1975 100.00	KOMATSU LTD 7.25 30/ 6/1990 S	111 338	6.65 2.66	5.90	* 104 3/4	30 1980 DF1983	-2.07	YEN 348.7 30/ 6/1975
15 14.9	1976 100.00	KUBOTA 4.75 15/ 4/1991 S	129 360	5.30 2.08	3.60	* 105 1/2	30 1950 DF1984	-2.88	YEN 326.4 15/ 2/1976
30 30.0	1976 100.00	MARUI 6.50 31/ 1/1991	67 1/2 689	7.43	8.28	104 1/2	45 1980	-4.06	YEN 897.8 1/ 7/1976
30 30.2	1975 100.00	MATSUSHITA ELECTRIC IND 6.25 20/11/1990 S	149 1/8 688	4.58 1.45	2.72	* 104 1/2	30 1963	-2.02	YEN 544.4 20/11/1975
30 30.0	1979* 500.00	MINEBEA ELECTRIC MACH L 7.00 30/ 9/1994 S	35 1/2 170	8.35 5.80	8.97	104	45 1983	18.73	YEN 210 1/11/1979
20 18.8	1977 100.00	MITSUBISHI GAS CHEM 6.00 30/ 9/1992 S	179 404	3.46 2.48	.03	* 104	45 1980	-5.85	YEN 235 1/ 7/1977
50 20.0	1976 100.00	MITSUBISHI HEAVY IND 6.50 31/ 5/1991 S	145 5/8 203	4.42 2.96	1.68	* 105 1/2	30 1980	-7.16	YEN 153 31/ 3/1976
43 40.0	1977 100.00	MITSUBISHI CORPORATION 6.00 31/ 3/1992 S	140 1/4 725	4.32 .90	2.20	* 104	30 1980	-6.39	YEN 519 1/ 6/1977
30 30.0	1979* 100.00	MITSUBISHI CORP L 6.50 30/ 9/1994 S	112 5/8 725	5.85 .90	5.32	2.92% 104	30 1982	5.06	YEN 601 15/10/1979
20 20.0	1975 100.00	MITSUBISHI CORPORATION 7.50 20/ 9/1990 S	209 1/2 725	3.63 .90		* 103 1/2	45 1950	-4.62	YEN 387.6 1/ 7/1975
15 15.4	1976 100.00	MITSUBISHI CORPORATION 6.25 31/ 3/1991 S	178 1/4 725	3.62 .90		* 104	30 1980	-3.90	YEN 467.6 31/ 3/1976
20 5.7	1974 100.00	MITSUI & CO 6.25 31/ 9/1939 S	168 257	4.97 1.96	.65	* 105	30 1980 DF1982	-2.90	YEN 245.2 17/10/1974
20 20.4	1977 100.00	MITSUI REAL ESTATE DEV 6.00 31/ 9/1992 S	102 1/4 313	5.95	5.83	104	30 1980	-6.91	YEN 497.1 1/10/1977
20 20.0	1979* 100.00	NIPPON OIL SEAL? 7.25 31/10/1994 S	91 5/4 265	8.06	8.30	104	45 1982	-4.47	YEN 330 1/12/1979
20 19.7	1977 100.00	NIPPON SHINPAN? 6.00 30/ 9/1992 S	79 5/8 555	7.68 1.70	8.65	104	45 1983	-7.45	YEN 677.2 1/ 9/1977
20 19.9	1979* 100.00	NIPPON ELECTRIC? 6.00 30/ 9/1994 S	66 1/8 555	9.79 2.70	10.90	104	45 1982	.31	YEN 735 1/ 7/1979
30 30.0	1976 100.00	RICOH 6.25 30/ 9/1991 S	140 3/4 576	3.72	.17	* 104	45 1980	-4.46	YEN 380.1 1/12/1976
30 30.0	1980* 100.00	SANYO ELECTRIC CO 8.25 31/ 3/1995 S	67 527	9.22	10.17	102	45 1985	5.67	YEN 667 1/ 4/1980
20 20.0	1975 100.00	SANYO ELECTRIC 6.25 30/12/1991 0	186 1/2 406	3.38 1.44		* 104	30 1981	-5.90 1982	YEN 239 1/12/1976
25 25.1	1975 100.00	SANYO ELECTRIC 7.53 30/11/1990 0	272 3/8 406	2.77 1.43		* 104	30 1980	-6.20 1981	YEN 171.8 1/12/1975
20 20.0	1977 100.00	SEKISUI PREFAB? 6.375 30/ 9/1992 S	87 436	7.46	8.22	104	20 1981	-6.47	YEN 452.7 1/ 2/1978
20 19.5	1977 100.00	SUMITOMO ELECTRIC IND 6.00 30/ 9/1992 S	122 245	4.98 4.08	3.62	* 104	30 1980	-5.21 1982	YEN 202 1/10/1977
30 30.0	1976 100.00	SUMITOMO METAL 6.00 31/ 3/1991 S	115 5/8 173	5.26	4.37	* 110	30 1980	-4.77 1983	YEN 144 1/11/1976
30 30.0	1963 100.00	TAKEDA CHEMICAL IND? 6.50 31/ 3/1984 S	230 228	1.86 1.34		* 101 3/4	30 1980 1973	-1.78	YEN 152.6 1/ 7/1964
20 20.0	1977 100.00	UNITED DEPT STORES? 6.00 31/ 7/1992 S	63 7/4 335	7.29 3.38	8.26	104	45 1981	-6.21	YEN 420.3 7/10/1977
20 20.0	1977 100.00	TOSHIBA 6.25 20/ 9/1962 S	147 1/8 198	4.29 2.53	2.01	* 104	30 1930	-5.09	YEN 129 10/11/1977
40 40.0	1975 100.00	TOSHIBA 6.75 30/ 9/1990 S	175 1/8 198	3.87 2.53		* 103 1/2	30 1981	-4.67	YEN 116 1/10/1975

CONVERTIBLES-JAPAN (CONTINUED)

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
50 50.0	1979* 100.00	TOSHIBA 7.25 30/ 9/1994 S	87 1/2 198	8.46 2.35	8.96	104	1982	-2.78	YEN 198 10/10/1979

CONVERTIBLES-LUXEMBOURG

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
25 25.0	1972 100.00	GENERAL SHOPPING 5.25 1/ 9/1987	120 1/2 198.47	4.36	2.25	* 103	30 1980		SF 161 5/8 1/ 7/1973

CONVERTIBLES-NETHERLANDS

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
70 63.0	1969 100.00	AKZO 4.75 1/ 1/1989	77 1/8 24.3	6.16	8.54	102	120 1980	118.84 1980	FL 177.1 1/ 9/1969
25 25.0	1969 100.00	AMRO BANK 5.50 1/ 1/1989	220 3/8 57.1	2.50		* 101 3/4	30 1980	-5.15 1980	FL 45.3 1/ 1/1970
25 21.3	1977 100.00	BENIA? 7.25 15/ 6/1992	133 1/8 128	5.45	3.88	* 105	60 1980	-2.72 1983	FL 117.65 15/ 6/1978
15 15.0	1969 100.00	GIST-BROCADES 5.75 1/ 1/1989	76 1/8 33	7.55 6.23	9.92	102 1/2	30 1980	20.02 1980	FL 93 1/ 1/1970
40 38.5	1968 100.00	HOOGOVENS 5.15 1/ 8/1988	72 3/4 21	7.22	10.22	100	60 1980	55.45 1979	FL 104 1/ 1/1969
10 3.0	1969 100.00	NEDER MIDDENSTANDSBANK 6.50 31/12/1984	518 1/4 215	1.25 5.58		* 101	30 1980	-3.36 1973	FL 73.9 1/ 1/1971
100 93.0	1968 100.90	PHILIPS LAMPS 4.75 30/ 6/1983	81 7/8 18.7	5.80 9.63	11.61	100	30 1980	.85	FL 42 1/2 1/ 1/1969
50 4.4	1969 100.00	VAN DER GRINTEN 6.00 1/12/1984	101 3/4 115 1/2	8.99 6.23	8.06	5.44 101 1/2	30 1980	1.80 1973	FL 213 1/12/1969

CONVERTIBLES-SINGAPORE

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
60 60.0	1976 100.00	SINGAPORE DEVT BANK 6.50 1/10/1991	241 5.60	4.61	2.40	* 103 1/2	30 1980	-12.82	S$ 4.1 15/12/1976
30 30.0	1973 100.00	UNITED OVERSEAS BANK 6.50 15/11/1988	82 4.32	7.98	9.64	103 1/2	60 1980	-5.29	S$ 5.43 1/ 5/1974

CONVERTIBLES-S. AFRICA

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
30 20.2	1971 100.00	RAND SELECTION CORP 6.50 1/ 3/1986	186 14.3	3.49		* 100	80 1980	-13.58	RD 5 7/8 1/ 9/1971

CONVERTIBLES-SWEDEN

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
25 25.0	1979* 100.00	AGA AKTIEBOLAG 7.75 15/ 3/1989	115 5/8 177	6.70	5.31	3.25% 103	45 1983	-7.44	SKR 165 1/10/1979
35 35.0	1979* 100.00	ESSELTE 7.75 15/ 5/1989	99 3/8 143	8.30 3.85	8.02	104	45 1981	.34	SKR 159 15/ 9/1979
35 35.0	1977 100.00	SANDVIK 6.25 15/ 3/1988	113 3/4 332	5.49 2.40	4.20	2.76 104	45 1983	1.49	SKR 295 1/ 1/1978

CONVERTIBLES-SWITZERLAND

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
60 60.0	1969 100.00	ALUSUISSE INT 4.75 1/ 3/1987	94 3/8 748.67	5.03	5.75	100	45 1980	7.63	SF 856 1/ 9/1969
84 84.0	1978 100.00	BBC BROWN,BOVERI & CO 4.15 31/12/1993	86 1/4 314	4.83	5.71	103	30C 1986	-5.37	SF 349.77 1/ 7/1978
100 99.9	1979* 200.00	CIBA-GEIGY O/S FIN 4.00 1/ 7/1994	83 1/2 1082.83	4.79 2.07	5.71	104	30C 1989	6.06	SF 1350 3/ 9/1979
100 100.0	1976 100.00	CREDIT SUISSE (BAHAMAS) 4.25 31/12/1991	128 1/2 1379.91	3.31 5.30	1.59	* 100	45 1980	-3.06	SF 1051 3/4 10/ 1/1977
100 100.0	1979* 100.00	CREDIT SUISSE (BAHAMAS) 4.15 31/12/1993	102 1/2 1379.91	4.63 3.80	4.50	5.12% 104	45 1982	-4.58	SF 1925 1/10/1979
24 23.9	1978 100.00	INTERSHOP O/S FIN 5.25 1/10/1990	85 350	6.18	7.35	104	30C 1985 PF1984		2/ 4/1979
64 64.0	1970 100.00	SANDOZ OVERSEAS 4.75 31/12/1988	103 7/8 2894.69	4.57 .90	4.21	108	45 1980	37.76	SF 3890 31/10/1977
130 94.3	1977 200.00	UNION BANK SWITZ(CUR) 4.50 15/ 5/1987	178 1/2 2116.85	2.58 4.72		* 104	30C 1983	-1.45	SF 1168.8 1/ 6/1977
100 59.2	1976 100.00	UNION BANK SWITZ(CUR) 5.00 15/ 3/1981	167 2116.85	2.99 4.72		* 100	30 1980	-3.49	SF 1198.8 1/ 6/1976
115 115.0	1979* 100.00	UNION BANK SWITZ(PANAMA) 5.00 15/ 5/1989	99 3/8 129	5.03	5.08	105	30 1983	-3.71	SF 125 1/ 2/1980

CONVERTIBLES-U.K.

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
35 35.0	1977 100.00	BABCOCK HOLLAND 7.00 15/10/1992	104 3/4 107	6.68 5.48	6.33 4.90	5.46% 104	45 1980	-6.14	P 125 17/ 4/1978
30 30.0	1977 100.00	BEECHAM FIN 6.75 13/ 9/1992	100 1/4 125	6.73 4.22	6.71 10.80	104	30 1980	5.16	P 171 13/ 9/1978
30 30.0	1978 100.00	BOOTS 6.75 1/ 8/1993	102 1/2 192	6.59 3.15	6.46 8.90	104	45 1981	-4.03	P 216 1/ 2/1979
70 38.2	1960 100.00	BURMAH OIL 5.50 1/10/1968 S	166 1/8 400	3.36 4.63	10.00	* 102	50 1980	-4.82	P 217.2 1/ 4/1970
75 52.9	1972 100.00	BURTON U.K. 5.75 15/10/1992	79 1/2 125	7.82 4.00	9.42 7.60	102	1980	-24.35	P 139 2/ 2/1973
50 8.0	1977 100.00	COMPAIR (UK) 8.50 1/ 4/1987	151 5/8 102	5.61 4.41	.96 11.40	104	1982	.66	P 90 1/ 6/1977
100 100.0	1977 100.00	ICI INT FIN 6.75 1/10/1997	106 1/4 398	6.35 5.78	6.15	4.26% 105	45 1980	-5.86	P 460 1/ 5/1978
35 24.8	1977 100.00	INCHCAPE(BERMUDA) 6.25 15/ 4/1992 S	126 3/8 328	5.41 4.80	4.02 12.70	* 104	30 1982	-8.76	P 385 13/10/1977
75 75.0	1973 100.00	RANK ORGANISATION 4.25 15/ 2/1993	47 7/8 226	8.88 4.74	12.62 6.18	102 1/2	30 1980	38.18	P 618 16/ 2/1974
20 6.0	1972 100.00	SLATER WALKER INT FIN 5.25 15/ 5/1987	64 1/4 28	8.17	13.29	102	30 1980		P 398 1/ 1/1973
25 25.0	1978 100.00	THORN INT FIN 7.00 15/ 7/1988 S	101 324	6.96 4.01	6.79 6.20	7.37% 103	45 1982	-4.19	P 367 1/11/1978

CONVERTIBLES-U.S.

Issued/Est. O/S (mn)	Year of issue/Issue price	Borrower/Coupon/Maturity	Bond price/Share price	Cur. bond yld/Cur. prem. yld	Yield to maturity/P.E.R.	Yield to next call/Next call price	Call not (days)/Next call date	Premium/discount %/First S/F date	Conv. price/Date of conv. start
15 11.7	1968 100.00	ADDRESSOGRAPH-MULT INT 4.75 1/ 5/1988	56 3/8 19 1/4	8.43 1.33	14.05	102	30 1980	147.12 1983	US 80 1/12/1968
12 11.3	1972 100.00	ALASKA INTERSTATE INT 0.00 1/ 6/1987	107 48 3/4	5.61 1.64	4.89 19.00	103.60	50 1980	-2.23	US 44 1/2 1/ 3/1973
30 30.0	1979* 100.00	ALCO STANDARD INT FIN 9.50 15/10/1994	83 1/8 30 1/4	10.20 3.55	10.42 6.00	106	30 1980	23.34	US 40 19/ 2/1980
30 30.0	1968 100.00	AMERICAN CAN INT 4.75 15/ 5/1988 S	66 31 1/8	7.33 9.32	11.30 5.00	102	30 1980	25.08	US 58 1/2 1/ 5/1969
40 40.0	1972 100.00	AMERICAN EXPRESS O/S 4.25 15/ 5/1987	66 28	6.44 6.43	11.41 6.00	102	30 1980	42.48	US 60 15/ 3/1973

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11th MARCH 1980

WestLB Euro-Deutschemarkbond Quotations and Yields

Advertisement

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
8% ADELA 76/83	90.00	8.89	3.08	12.08	1. 4.83
7¾% ADELA 77/82 PP	88.00	8.43	2.29	14.84	16. 6.82
7% ADELA 77/82 PP	85.50	8.19	2.42	14.47	1. 8.82
6% AEG 66/81	99.50	8.03	0.92	6.56	1. 2.72—810
7¼% African Dev. Bank 79/86	83.60	8.28	6.25	8.12	1. 8.98
8% African Dev. Bank 79/87	95.50	8.38	7.86	8.82	1.11.87
6½% Airport Paris 69/84 PP (G)	93.00	6.98	2.44	9.87	1. 3.75—840
9% AKZO 75/82 PP	100.00	8.00	1.82	8.98	1. 2.82
7¾% AKZO 76/83 PP	95.50	9.13	3.25	9.40	1. 6.83
8% AKZO 78/84 PP	88.25	8.80	4.08	9.81	1. 4.84
6½% AKZO 79/86 PP	86.00	7.56	6.00	9.58	1. 3.86
8¼% Alusuisse Int'l. 75/83	99.25	8.31	2.39	8.57	1. 8.81—83D
5½% American Expr. Int'l. 79/87	79.76	6.90	5.87	8.66	15. 1.87
6¾% AMEX Int'l. 77/84 PP	91.50	7.38	4.08	8.34	1. 4.84
10% A.P.E.L. 74/81 (G)	100.00	10.00	1.24	9.92	1.12.77—810
7¾% ARBED Finance 79/83 PP	93.00	8.33	3.67	10.10	1.11.83
6¾% ARBED Finance 77/87	86.10	7.83	7.25	9.69	1. 8.83—875
7½% ARBED Finance 78/86 PP	90.50	8.29	6.58	9.49	1.10.88
8¾% Ardal-Sunndal 75/81 PP	98.50	8.88	1.33	9.33	1. 7.81
6¾% Ardal-Sunndal 77/89 PP	86.50	7.89	5.58	10.28	1. 7.82—890
7½% Argentine 77/84	83.50	8.02	4.58	9.28	1.10.84
6½% Argentine 78/85	85.25	7.62	5.00	10.43	1. 3.65
6½% Argentine 78/88	81.00	8.02	8.57	10.65	1.11.84—880
7½% Argentine 78/89	85.15	8.81	8.17	10.04	1. 5.85—895
7% Asian Dev. Bk. 69/84	95.25	7.35	4.50	8.46	1. 8.75—84S
8½% Asian Dev. Bk. 75/80 PP	99.00	8.59	0.71	9.50	16.11.80
8% Asian Dev. Bk. 76/82	87.00	8.25	2.00	9.72	1. 3.82
7¾% Asian Dev. Bk. 76/83 PP	94.00	8.24	3.08	10.10	1. 4.83
7% Asian Dev. Bk. 77/85	89.35	7.83	5.08	9.75	1. 4.65
5½% Asian Dev. Bk. 78/88	78.00	7.05	8.17	9.48	1. 5.88
7¼% Asian Dev. Bk. 79/89	86.50	8.38	8.42	9.47	1. 8.89
9½% ASKO 75/80 PP	99.50	8.55	0.08	15.30	due 1. 4.80
7½% Aumar 73/88 (G)	93.50	8.02	4.18	9.64	1. 2.73—88D
9% Aumar 76/84 (G)	99.00	9.09	4.46	9.28	16. 8.77—84S
7¾% Aumar 77/84 (G)	94.50	8.20	4.33	9.33	1. 7.84
6½% Australia 67/82	97.50	6.67	2.67	7.55	1.11.73—82—S
6¾% Australia 69/83	97.00	6.96	3.42	7.91	1. 8.74—83S
6½% Australia 69/84	98.00	6.63	3.92	7.22	1. 2.75—84S
7¼% Australia 69/84	98.75	7.49	4.87	8.26	1.11.75—84S
7% Australia 72/87	84.50	7.41	6.92	8.06	1. 2.78—87S
10% Australia 74/80	100.00	10.00	0.58	9.79	1.10.80
8% Australia 76/82	100.30	8.97	1.92	8.81	1. 2.82
8¼% Australia 75/82 I PP	81.00	10.19	2.08	20.28	1. 4.82
8¼% Australia 75/82 II PP	97.50	8.46	2.17	9.55	1. 5.82
7¼% Australia 76/83	96.00	7.55	3.00	8.83	1. 3.83
5¼% Australia 77/82 PP	91.00	5.77	2.57	9.31	1.10.82
5¾% Australia 77/89	78.75	7.30	9.67	9.15	1.11.85—89S
6% Australia 78/88	81.60	7.35	8.50	8.20	1. 9.88
8¼% Australia 50/90	98.75	8.23	10.00	8.91	1. 3.50
6¾% Austr. Ind. Dev. Corp. 72/87	90.00	7.50	3.92	8.93	1.11.78—87D
8% Austr. Ship. Com. 76/83 PP (G)	96.00	8.33	3.90	9.36	1. 9.83
7% Rep. of Austria 68/82	98.50	7.11	2.08	7.84	1. 4.73—825
6½% Rep. of Austria 69/83	92.90	8.92	3.08	8.89	1. 4.75—85S
9¾% Rep. of Austria 74/80 PP	99.75	9.77	0.67	9.99	1.11.80
9¾% Rep. of Austria 74/81 PP	100 00	9.75	1.75	8.70	1. 3.85
8¼% Rep. of Austria 75/81 PP	99.50	8.29	1.25	8.63	1.12.81
8¾% Rep. of Austria 75/82 PP	98.50	8.88	1.57	9.80	1. 8.81
8% Rep. of Austria 75/88	101.00	8.91	2.92	8.69	1. 4.79—82D
8¾% Rep. of Austria 75/83 PP	98.00	8.93	2.05	8.86	1. 2.83
8¾% Rep. of Austria 75/87	99.50	8.89	7.17	8.78	1. 4.79—83D
7¾% Rep. of Austria 76/86	97.00	7.99	6.17	8.38	1. 6.78—875
6¾% Rep. of Austria 77/85	92.30	7.31	5.08	8.68	2. 5.83—86S
7% Rep. of Austria 77/87 PP	90.00	7.78	4.74	8.72	1. 4.83—85S
6¾% Rep. of Austria 77/87 PP	88.50	7.63	6.92	8.05	1. 1.83—87D
6% Rep. of Austria 77/87 PP	84.00	7.14	5.94	8.84	1. 2.83—87D
5¾% Rep. of Austria 78/88 PP	81.00	7.10	6.28	8.95	1. 9.84—870
5¾% Rep. of Austria 78/90	75.80	7.59	10.87	8.44	18. 7.84—880
6¾% Rep. of Austria 79/84 PP	91.00	7.42	4.60	8.26	1.11.85—80D
7% Rep. of Austria 75/87 PP	86.50	7.91	7.90	9.17	1. 9.84
6¾% Rep. of Austria 79/89 PP	85.00	7.35	8.28	8.53	1. 8.87
7¼% Rep. of Austria 79/89 PP	89.50	8.10	9.60	8.92	1. 2.84—89D
7% Autopistas Catalune 78/85 PP	50.00	7.78	4.87	8.66	1. 9.89
7¾% Autopistas Espanola 69/84 (G)	84.26	7.86	4.33	8.07	16. 1.85
8% Autopistas Espanola 71/86 (G)	98.00	8.33	3.40	9.62	1. 7.73—84S
6¾% Autopistas Espanola 72/87 (G)	92.50	7.30	3.68	9.12	1.10.77—86D
7¼% Autopistas Espanola 79/85 PP (G)	90.00	8.08	6.00	8.88	1.10.79—87D
7¼% Banco N. Desarrollo 79/86 (G)	86.50	8.38	6.00	10.38	1. 3.86
8% Banco N. Obras 71/86 (G)	87.50	8.21	8.67	8.68	1.11.77—86S
9% Banco N. Obras 76/81 (G)	88.00	9.18	1.50	10.42	1. 8.81

WestLB SD Certificates (Schuldschein-Index)

5 years maturity: 8.90%

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
7¼% Banco N. Obras 77/82 PP (G)	94.50	7.67	2.46	9.84	16. 8.82
7% Banco N. Obras 77/82 PP (G)	93.75	7.47	2.62	9.78	18.10.82
7% Banco N. Obras 77/84 (G)	88.00	8.14	4.56	11.03	1.10.84
5¾% Bk. America Overs. Fin 78/90	77.38	7.44	10.67	9.17	1.11.90
6% Bank of Tokyo 79/86 PP	87.50	8.88	5.92	8.80	1. 2.86
7½% Banque Ext. Algerie 77/83	92.25	8.13	3.62	10.13	15.10.31—83D
7¼% Banque Ext. Algerie 78/85	87.00	8.33	4.63	10.95	1.11.83—85D
7¼% Banque Nat. Algerie 78/83	92.50	7.84	3.00	10.28	1. 3.83
6¾% Barclays Overs. Inv. 79/89	83.50	8.08	9.17	9.52	1. 5.86
8% Barlow Rand Inv. 78/82 I PP	95.60	8.38	2.46	10.11	15. 8.82
8% Barlow Rand Inv. 78/82 II PP	95.60	8.38	2.54	10.05	15. 9.82
6% BASF 66/80	99.25	8.05	0.58	7.27	1.10.71—80D
7½% BEC Finance 76/83 PP	93.25	8.04	3.67	9.75	1.11.83
8% Beecham Fin. 76/83	96.15	8.32	3.67	8.26	1.11.83
8¾% Bergen 75/85	98.75	9.86	3.08	9.21	1. 5.81—850
7¼% Bergen 77/89	91.50	7.92	4.81	8.61	1. 2.81—890
8¼% BFCE 75/83 (G)	96.25	8.67	3.33	8.59	1. 7.81—83S
8¼% BFCE 76/84 (G)	87.50	8.46	4.33	8.95	1. 7.82—84S
7% BFCE 77/87 (G)	87.00	8.05	6.92	9.66	1. 2.83—87S
5¾% BFCE 78/88 (G)	80.15	7.17	7.87	8.43	15. 1.86—88S
7¾% BFCE 80/87 (G)	93.25	8.31	8.87	8.11	15. 1.87
8¼% BFCE 80/95 (G)	92.25	8.81	14.87	9.09	15. 1.88—95S
8½% BNDE 77/87	92.50	8.19	4.44	10.70	1. 4.83(82-87)
6¾% BNDE 78/88	82.76	8.16	8.00	10.80	1. 3.86
9% Borregaard 75/81 PP	98.50	8.14	1.17	10.37	1. 5.81
6½% Borregaard 77/84 PP	90.00	7.22	4.58	8.26	1.10.84
8½% Brascan Int'l. 73/88	98.50	8.63	6.58	8.74	1.10.79—88S
6¾% Brazil 72/87	89.00	7.58	7.58	6.78	1.10.76—87S
8¾% Brazil 76/86	97.50	8.97	6.58	8.25	1.10.82(80-86)
7¾% Brazil 77/84	91.80	8.44	4.17	10.25	1. 5.84
6¾% Brazil 78/85	84.50	7.99	4.92	10.98	1. 2.85
7¼% Brazil 79/87	85.25	8.50	8.83	10.36	1. 1.87
8% Brazil 79/87	88.10	9.08	7.42	10.36	1. 8.67
6¾% Brenner 68/83 (G)	97.25	6.94	3.42	7.82	1. 8.74—83S
5½% British Petrol 65/80	99.25	5.54	0.25	8.48	1. 6.80
5¾% Bruxelles-Lambert 77/84 PP	87.00	6.61	4.75	8.22	15.12.84
8½% Burmah Oil 70/85	96.75	8.79	3.03	8.88	1.11.76—85D
4¾% Canada 78/83	89.50	5.31	3.22	8.81	20. 5.83
5% Canada 78/84	86.10	5.81	4.19	8.13	10. 5.84
6% Carlsberg-Tuborg 77/87 PP	84.00	7.14	7.75	8.94	1.12.85—87D
8½% C.C.C.E. 75/85 (G)	97.00	8.78	2.99	8.69	1. 4.81—85D
8½% C.C.C.E. 78/86 (G)	96.75	8.79	4.78	8.36	1. 7.83—86
7% C.C.C.E. 77/89 (G)	90.50	7.73	8.08	6.54	1. 4.81—89D
5½% C E C A 65/83	92.50	6.96	2.05	9.69	1. 4.71—83D
7½% C E C A 71/86	94.50	7.94	3.54	8.38	1. 5.77—86D
8½% C E C A 72/87	91.50	7.10	3.60	8.37	1. 7.78—87D
7% C E C A 72/88	91.35	7.66	4.10	9.64	2. 1.79—88D
6½% C E C A 73/88	88.75	7.24	4.35	9.48	1. 4.79—88D
7¾% C E C A 73/88	107.00	7.24	4.48	6.91	1.11.79—880
10% C E C A 74/81 PP	102.00	9.80	1.50	8.45	1. 9.81
9¾% C E C A 74/81	101.25	8.63	1.75	8.90	1.12.81
8% C E C A 75/80 PP	98.50	8.12	0.75	10.07	1.12.80
8½% C E C A 75/82 PP	68.50	8.83	2.00	8.36	1. 3.82
8% C E C A 75/82	98.65	8.11	2.79	8.54	15.12.82
6¾% C E C A 75/85	88.40	8.55	3.00	8.73	1. 4.79—850
8% C E C A 76/81 PP	97.50	8.21	1.79	9.65	15.12.81
7¾% C E C A 76/83	95.50	8.12	3.58	9.25	1.10.83
7¾% C E C A 76/88	93.00	8.33	4.49	9.72	1.10.82—860
6% C E C A 78/88	78.75	7.52	8.67	9.53	1.11.88
5¾% C E C A 78/90	76.75	6.94	7.87	8.59	1. 4.85—90D
8% C E C A 78/90 PP	81.00	7.41	6.67	10.03	1. 8.83—900
7% C E C A 79/91	87.00	8.05	8.45	9.28	16. 4.84—91D
7¾% C E C A 80/90	92.00	8.56	8.84	9.13	2. 1.90
7¾% C.E.O. South Africa 78/82 PP (G)	96.90	8.03	2.39	9.42	20. 7.82
6½% CERGA 73/81 PP	97.00	6.70	1.08	9.52	1. 4.81
7% CESP 77/87 (G)	90.50	7.73	7.67	8.74	1.11.83(82-87)
6½% Charter Cons. Overs. 68/83	99.85	6.51	0.08	8.40	1.10.72—83S
6% Chase Manhattan Ov. 78/93	78.25	7.57	13.50	8.66	1. 8.84—93S
7% Chrysler 68/84	94.00	7.45	4.33	8.88	1. 7.75—84S
6¾% CIBA-GEIGY ex. w. 75/85 PP	88.75	7.61	5.58	9.41	1.10.85
6½% C.N. Autoroutes 69/84 (G)	95.75	6.79	2.45	8.49	1. 3.75—840
6½% Energie 69/84 PP (G)	94.25	6.90	2.36	9.31	1. 2.75—84D
6½% C.N. Telecom. 68/83 (G)	93.25	6.97	9.67	8.71	1.11.74—83S
8½% C.N. Telecom. 70/85 (G)	99.75	8.52	5.58	8.74	1.10.76—85S
7¼% C.N. Telecom. 78/83 (G)	95.50	7.58	3.12	8.96	16. 4.8S
6¼% C.N. Telecom. 75/87 (G)	83.25	7.51	7.00	9.65	1. 9.37
7¾% C.N. Telecom. 79/87 PP (G)	93.50	8.42	7.75	9.08	18.12.87
7¾% Comalco 71/86	96.90	8.03	6.25	8.66	1. 8.77—86S
7% Com. Fed. Electr. 77/82 PP	94.50	7.41	2.50	8.54	1. 9.82
8% Com. Fed. Electr. 77/84	83.55	8.55	4.25	9.91	1. 6.84
7¼% Com. Fed. Electr. 77/85	91.00	7.97	4.11	10.01	1.11.82—85D
6¾% Com. Fed. Electr. 78/88	85.90	7.69	5.99	10.08	1. 4.84—88D
5% Commerzbank Int'l. 79/84 PP	96.00	5.81	3.83	8.52	1. 1.84
4¾% Comp. F. Deutsche Bk. 78/83 PP	87.25	5.01	3.17	9.19	1. 5.83
6% Comp. F. Deutsche Bk. 78/94 PP	86.50	6.78	9.83	9.34	1. 1.84
8½% Comp. Franc. Petr. 78/85	97.00	8.76	6.17	9.24	1. 6.80—85S
6½% Comp. Franc. Petr. 77/84	90.25	7.20	4.33	9.32	1. 7.84
8½% Consorzio 70/91 (G)	97.45	8.72	5.41	9.31	1. 1.77—910
5¾% Copenhagen 64/84	95.50	6.02	4.79	6.88	15.12.70—84D
7% Copenhagen 68/83	97.00	7.22	3.17	8.25	2. 5.72—83B
6¾% Copenhagen 69/84	98.00	6.89	4.25	7.43	1. 8.75—84S
7¾% Copenhagen 71/86	97.75	7.93	8.08	8.39	1. 4.77—86S
7½% Copenhagen 76/85	94.25	7.96	6.75	8.65	1.12.81—86S
6% Copenhagen 78/90	77.00	7.79	10.67	9.62	1.11.81—906
6½% Council of Europe 73/81 PP	95.00	6.84	1.17	11.26	1. 5.81
7% Council of Europe 73/88	92.00	7.81	4.08	8.45	1. 7.78—880
9½% Council of Europe 75/82 PP	100.00	9.50	1.92	8.48	1. 2.82
8½% Council of Europe 76/83	99.75	8.52	1.89	8.63	1. 2.79—83D
7¾% Council of Europe 76/83	96.00	8.07	2.14	9.69	1. 5.80—83D
7% Council of Europe 76/83	94.00	7.45	3.75	9.83	1.12.83
6¾% Council of Europe 77/87	86.50	7.31	6.57	9.73	1.11.83—870
6¾% Council of Europe 78/86 PP	84.50	7.40	6.33	9.82	1. 7.86
6½% Council of Europe 78/88	83.10	7.37	8.11	9.83	16. 5.84—88D
6¼% Council of Europe 78/88 II	84.00	7.44	8.67	8.97	1.11.84—88D
6¾% Council of Europe 79/88 III	85.50	7.31	6.58	8.28	1.11.84—860
7¼% Council of Europe 79/89	89.80	8.09	5.98	8.60	1. 5.83—89D
7½% Council of Europe 79/89	89.00	8.43	7.49	9.61	1.10.85—89D
7¼% Council of Europe 76/94	91.35	8.62	9.80	8.24	1.11.85—94D
6½% Courtaulds Int'l. 72/87	90.00	7.22	7.33	8.37	1. 7.80—87S
8% Credit National 77/87 (G)	82.00	7.32	7.98	9.41	1.10.83—875
5¾% Credit National 78/83 PP (G)	98.50	6.50	3.50	9.75	1. 9.83
6½% Credit National 79/89 (G)	84.25	7.72	7.03	9.68	16. 4.85—890
9% CVRD 76/84	99.50	9.05	3.92	8.16	1. 2.81(82-84)
8½% CVRD 76/86	96.75	8.79	8.75	9.15	1.12.82(83-88)
8% Daimler-Benz 70/85	98.75	8.10	3.05	8.65	1.11.76—85D
5½% Dalehowa Paper 78/83 PP	89.00	8.18	3.42	9.39	1. 8.83
6% Danish Export 77/82 PP	94.50	6.35	1.64	9.76	1.11.78—830
5¾% Danish Export 78/83 PP	94.00	8.12	1.69	9.73	1. 6.79—830
8¼% Den Danske Bk. 76/86	95.25	8.66	6.67	8.22	1.11.82—86S
6½% Denmark 68/80 PP	88.00	8.63	0.58	10.35	1.10.72—80D
7% Denmark 69/84	97.75	7.18	4.42	7.75	1. 8.75—84S
6¾% Denmark 72/87	93.75	7.20	7.75	7.65	1.12.78—87S
6¾% Denmark 74/89	100.25	9.23	4.90	9.18	1. 3.80—89S
8¼% Denmark 76/82	88.70	8.36	1.92	9.00	1. 2.82
8% Denmark 76/82	98.00	8.18	2.60	8.89	1. 9.82
6¾% Denmark 77/83	92.50	7.30	3.21	9.55	16. 5.83

WestLB QUOTATIONS AND YIELDS

"Life" and "Maturity" appear in years and decimals of years and are—in this context—calculated as follows:
—to final maturity in case of a lump-sum repayment
—to final maturity in case of a sinking fund issue, whenever the quoted price is below 100
—to average life in case of a sinking fund issue, whenever the quoted price is above 100
—to average life in case the bond issue provides for mandatory drawings by lot at par only
PP—Private Placement (the smallest denomination may be larger than the usual DM 1,000 of public issue)

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
7¼% Denmark 77/87	87.90	8.29	7.21	9.73	16. 6.87
5¾% Denmark 78/84	98.00	8.10	3.92	8.71	1. 2.84
6% Denmark 78/88	82.00	7.32	7.92	9.31	1. 2.88
5¾% Denmark 79/85	85.00	6.76	4.92	9.73	1. 2.85
6½% Denmark 79/89	81.75	7.95	8.92	9.64	1. 2.89
7⅞% Denmark 80/86	93.00	8.47	5.92	8.47	1. 2.86
8¼% Denmark 80/92	94.00	8.78	11.92	9.09	1. 2.92P
6¾% Den Norske Ind. 77/89 (G)	91.00	7.42	4.38	8.33	1. 6.80—890
6% Den Norske Ind. 78/90 (G)	83.25	7.21	6.43	9.80	1. 5.83—900
6½% District Porio 69/84 (G)	91.00	7.14	4.08	9.24	1. 4.75—840
7¼% E E C 76/83	97.50	7.44	3.08	8.18	1. 4.83
7% Eletrobras 77/87 (G)	81.00	7.69	7.50	8.67	1. 9.83(83-87)
6¾% Eletrobras 78/86 (G)	82.50	8.18	6.08	10.82	1. 4.86
7% Eletrobras 79/87 (G)	83.75	8.36	8.92	10.41	1. 2.87
5¼% Elf Aquitaine 78/88	78.65	6.68	7.18	8.48	15. 5.86—88D
5¾% Ell-Norge 77/80 PP	99.00	5.81	0.12	14.01	due 16. 4.80
6¾% Elkem 78/88 PP	81.50	7.06	8.18	9.89	1. 6.84—88D
8% ENEL 65/80 (G)	99.00	6.06	0.33	9.27	1. 7.80
6¾% Ericsson 72/87	86.75	6.98	7.00	7.36	1. 9.78—87S
8¾% ESAB 76/81 PP	99.00	8.84	0.92	9.81	1. 2.81
6½% ESCOM 65/80 (G)	99.25	8.65	0.58	7.76	1.10.71—80D
6½% ESCOM 68/83 (G)	94.00	6.91	2.02	9.87	1.10.74—83D
8½% ESCOM 70/85 (G)	96.50	8.81	2.99	9.80	1. 4.78—85D
8% ESCOM 71/86 (G)	94.50	8.47	3.38	10.22	1. 3.77—860
6¾% ESCOM 72/87 (G)	88.25	7.00	3.75	8.78	1. 9.78—870
7% ESCOM 73/88 (G)	91.50	7.65	4.43	9.42	1. 5.79—88D
9¼% ESCOM 75/80 (G)	99.80	9.27	0.42	9.50	1. 8.80
8% ESCOM 78/81 I PP (G)	97.00	8.25	0.87	11.75	15. 1.80—810
9% ESCOM 78/81 II PP (G)	87.00	8.25	0.92	11.60	1. 2.80—810
8¼% ESCOM 78/81 PP (G)	98.00	8.42	0.92	10.62	1. 2.81
8% ESCOM 78/84 PP (G)	93.00	8.60	4.87	8.92	1.11.84
8¾% ESCOM 79/84 I PP (G)	96.00	8.11	4.42	8.88	1. 8.84
8¾% ESCOM 79/84 II PP (G)	96.00	9.11	4.42	8.88	1. 8.84
7¾% ESTEL 73/88	94.25	8.22	8.42	8.73	1. 8.79—88S
8½% ESTEL 75/85	96.25	8.83	5.25	9.42	1. 6.81—85S
8½% ESTEL 78/83 PP	95.00	8.95	3.00	10.53	1. 3.83
6½% ESTEL 77/84 PP	86.00	7.56	4.67	10.42	1.11.84
6¾% ESTEL 77/84 PP	87.00	7.18	3.72	10.85	1.12.82—84D
6¼% ESTEL 78/85 PP	85.00	7.35	5.59	9.85	1.10.85
7¼% ESTEL 78/88 PP	68.25	8.78	6.42	10.32	1. 8.86
8¼% ESTEL 78/86 PP	92.50	8.78	6.79	9.67	15.12.86
5¾% Euratom 77/87	50.25	7.17	7.87	8.48	1.11.87
6¾% Euratom 79/91 PP	83.50	7.49	7.20	9.52	8. 2.84—910
6% Eurofima 65/90	99.25	8.05	0.75	7.01	1.12.68—80D
6½% Eurofima 67/88	97.50	6.67	1.95	7.90	1. 9.71—830
6¼% Eurofima 72/87	90.75	6.89	3.77	9.25	1. 8.76—870
6½% Eurofima 73/88	90.00	7.22	4.26	9.46	1. 3.77—88D
8% Eurofima 73/88	95.00	8.42	4.28	9.45	1.10.77—88D
8% Eurofima 76/83	99.00	8.08	2.92	8.39	1. 2.83
6¾% Eurofima 77/67 PP	86.00	7.85	4.82	10.60	1. 2.83—870
5½% Eurofima 78/88	32.90	6.67	5.32	9.88	15. 2.84—88D
5½% Eurofima 78/88 PP	78.50	7.01	7.11	9.83	1.11.85—88D
6¼% Eurofima 79/88	86.00	7.56	6.83	9.36	1. 2.85—890
7% Eurofima 79/84 PP	89.50	7.91	4.58	10.24	1.10.84
7¾% Eurofima 79/87 PP	89.00	8.29	7.58	8.46	1.10.87
7⅞% Eurofima 50/88 PP	99.25	7.93	7.87	8.00	15. 1.88
6% Europ. Inv. Bank 69/84	94.50	6.35	2.45	8.72	1. 3.75—840
7% Europ. Inv. Bank 69/84	95.00	7.37	2.58	9.43	1.11.75—84D
8% Europ. Inv. Bank 70/80	99.75	8.02	0.17	9.62	due 2. 5.80
7½% Europ. Inv. Bank 71/86	97.30	7.71	3.38	8.81	1. 3.77—860
7¾% Europ. Inv. Bank 71/86	97.00	7.99	3.42	8.78	1.10.77—86D
6½% Europ. Inv. Bank 72/87	92.00	7.07	3.83	8.07	1. 3.78 87D
6% Europ. Inv. Bank 72/87	89.10	6.73	3.76	9.56	1. 9.80—87D
6¾% Europ. Inv. Bank 73/88	91.50	7.38	7.92	8.25	1. 2.79—88S
7% Europ. Inv. Bank 73/88	81.10	7.68	8.33	8.52	1. 7.79—88S
10% Europ. Inv. Bank 74/81 PP	100.00	10.00	1.50	9.91	1. 8.81
8% Europ. Inv. Bank 75/80	100.10	7.99	0.75	7.78	1.12.80
9½% Europ. Inv. Bank 75/83	100.90	9.42	1.80	8.80	1. 1.87—83D
8% Europ. Inv. Bank 76/83	99.25	8.06	1.78	8.43	1. 7.80—830
7¾% Europ. Inv. Bank 78/83 PP	95.00	8.18	3.58	9.43	1.10.83
6¾% Europ. Inv. Bank 76/84	92.10	7.33	3.19	9.72	1.12.81—840
6% Europ. Inv. Bank 77/89	65.50	7.02	5.66	8.39	1. 6.82—890
6% Europ. Inv. Bank 78/86 I PP	79.90	7.55	8.42	9.66	1. 8.88
6% Europ. Inv. Bank 78/88 II PP	79.25	7.57	8.71	9.62	15.11.88
5¾% Europ. Inv. Bank 78/90	77.50	6.77	7.75	9.46	1. 3.85—900
6% Europ. Inv. Bank 78/90	76.75	7.82	10.58	8.58	1.10.90P
7½% Europ. Inv. Bank 79/89	90.25	8.31	9.25	9.08	1. 6.89
7⅝% Europ. Inv. Bank 79/89 PP	89.50	8.52	9.42	9.34	1. 8.89
6½% Europ. Inv. Bank 75/91	80.25	8.10	10.83	8.49	1. 1.91P
8¼% Europistas 71/86 (G)	98.00	8.42	3.29	9.16	1. 2.77—86D
8% Europistas 72/87 (G)	96.00	8.33	3.65	9.53	1. 1.78—87D
7½% Fin. Inst. f. Dan. Ind. 76/81 PP	99.00	7.58	1.75	8.10	1.12.78—81S
7% Finland 68/83	95.25	7.35	2.22	9.63	1. 6.72—830
6¾% Finland 68/83	93.50	7.22	2.19	10.38	1.12.72—830
7% Finland 69/84	95.50	7.32	2.61	8.12	2. 5.73—840
7½% Finland 69/84	98.10	7.65	2.50	8.53	1.10.73—840
7% Finland 72/87	96.75	7.34	7.08	7.74	1. 4.78—873
8% Finland 76/84	96.00	8.33	4.25	8.16	1. 6.81—84S
6½% Finland 78/83 PP	50.00	6.11	2.92	9.58	1. 2.83
6% Finland 78/83	89.00	6.74	3.75	9.61	1.12.83
5¾% Finland 78/86	34.00	8.86	5.92	9.39	1. 2.86
8% Finland 79/86	93.25	8.58	6.73	8.38	18.12.86
7½% Finn. Kommunal 69/81 (G)	98.00	7.65	1.24	9.44	1.12.72—810
8% Finn. Kommunal 71/83 (G)	97.25	8.23	2.14	9.65	3. 5.76—83D
8¼% Forsmarks 75/83 (G)	98.20	8.40	1.78	9.34	1. 7.80—83D
5¾% Forsmarks 78/90 (G)	82.75	6.95	6.14	9.58	15. 1.83—90D
7½% Francetel 76/83 (G)	94.25	7.96	9.62	9.42	18.10.83
6¾% Francetel 77/84 PP (G)	91.00	7.42	4.08	9.50	1. 4.84
7% Fuji Heavy 76/81 PP	95.00	7.37	1.75	10.22	1.12.81
9¼% Gen. Zbk. Vienna 75/82 PP	100.00	9.25	2.00	9.25	1. 3.82
8½% Gen. Zbk. Vienna 78/83 PP	97.50	8.72	2.41	9.70	1. 2.83—830
6% Gen. Zbk. Vienna 77/87	84.60	7.09	8.66	9.65	1.12.83—87D

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
9¾% Giroz. Vienna 74/80 PP	100.25	9.73	0.75	9.27	1.12.80
7% Giroz. Vienna 76/81	96.25	7.27	1.67	9.48	1.11.81
7¼% Giroz. Vienna 78/83	94.25	7.69	3.67	8.14	1.11.83
5½% Giroz. Vienna 77/82	91.65	6.00	2.58	9.25	1.10.82
5¾% Giroz. Vienna 78/86 PP	81.75	7.03	6.58	9.90	1.10.86
6⅞% Giroz. Vienna 78/84 PP	89.50	7.66	4.46	9.88	16. 8.84
6% G. I. S. 78/83 PP	92.50	6.49	3.00	8.96	1. 3.82—830
7% Gran Metrop. Fin. 77/84	92.00	7.61	4.42	9.27	1. 8.81—849
8% Guest-Keen-Nettl. 76/83	96.50	8.29	3.17	9.31	2. 5.83
6¾% Hamersley Iron 72/87	89.00	7.58	7.33	8.84	1. 7.78—879
8% Hazama-Gumi 76/81 PP	97.50	8.21	1.25	10.16	1. 6.81
7% Helsinki 68/83	98.00	7.14	3.33	7.83	1. 7.72—83S
7% Hitachi Cable 77/82 PP	95.50	7.33	1.83	8.77	1. 1.82
5¾% Hitachi Shipbldg. 78/83	88.00	6.53	3.79	9.66	16.12.83
8¾% IAKW Vienna 75/85 (G)	100.00	8.75	3.08	8.73	1. 5.80—850
7¼% Iceland 69/84	88.00	7.40	4.17	7.97	1. 5.73—84S
7¾% Iceland 77/87	97.75	7.93	7.07	8.18	1. 4.80—87S
6½% I C I Int'l. 72/92	89.75	7.24	12.00	7.85	1. 3.78—925
7½% I C I Int'l. 76/86	91.60	8.19	6.72	9.45	1.12.84—860
6¾% I C I Int'l. 77/87	88.00	7.67	5.61	9.61	1. 5.84—870
8% ICIPU 71/91 (G)	84.00	8.61	8.38	9.67	1. 1.77—910
8% Imatran Voima 72/87 (G)	88.75	8.10	6.83	8.41	1. 1.76—87S
7% Indonesia 78/94	91.40	7.66	4.58	9.37	1.10.84
7¾% Ind. Dev. C. South-Afr. 78/82 PP (G)	95.00	8.16	2.17	10.42	1. 5.82
8% Ind. Dev. C. South-Afr. 78/83 PP (G)	95.00	8.42	3.33	9.80	1. 7.89
8½% Industr. Bk. Japan 73/80 PP	98.75	8.58	0.25	11.57	due 1. 6.80
6½% Industr. Bk. Japan 73/81 PP	97.00	6.70	1.17	9.29	1. 5.81
5% Industr. Bk. Japan 78/84	85.75	5.83	3.83	9.51	1. 1.84
7⅜% Ind. Fund of Finnland 79/87 PP	89.50	8.24	5.98	9.77	16. 9.84—870
7½% Ind. Min. Dev. Iran 72/86	79.00	9.49	5.17	13.37	1. 5.77—85S
7¾% Ind. Min. Dev. Iran 77/87	75.90	10.21	7.33	13.02	1. 7.83—878
7¼% Ind. Min. Dev. Iran 78/84	74.00	8.80	4.54	15.62	16. 9.84
6¾% Ind. Mtgebk. Finl. 68/80 (G)	98.50	6.85	0.67	9.30	1.11.73—800
8% Ind. Mtgebk. Finl. 71/86 (G)	97.25	8.23	3.58	8.11	1.12.77—860
7% Ind. Mtgebk. Finl. 72/87 (C)	93.75	7.47	3.60	9.27	1. 7.78—87D
6¾% Int. Am. Dev. Bank 68/83	85.50	7.07	3.33	8.49	1. 7.72—838
7% Int. Am. Dev. Bank 66/84	96.25	7.27	4.42	8.18	1. 8.75—84S
8½% Int. Am. Dev. Bank 70/85	98.85	8.50	5.50	8.96	1. 9.76—85S
6¾% Int. Am. Dev. Bank 72/87 I	90.00	7.50	7.25	8.65	1. 6.78—87S
6¾% Int. Am. Dev. Bank 72/87 II	91.25	7.40	7.87	8.33	1.11.78—87S
8% Int. Am. Dev. Bank 76/83 PP	95.00	8.42	2.96	10.03	18.2.83
8¼% Int. Am. Dev. Bank 78/83 PP	96.00	8.59	9.33	9.68	1. 7.83
7% Int. Am. Dev. Bank 77/87	87.50	8.00	8.83	9.57	1. 1.83—878
6¼% Int. Am. Dev. Bank 78/88	83.50	7.49	7.83	9.30	1. 1.88
7¾% Int. Am. Dev. Bank 79/86	93.75	8.27	6.33	9.07	1. 7.86
8% Int. Am. Dev. Bank 78/89 PP	93.90	8.56	9.37	9.04	15. 7.89
8% Int. Am. Dev. Bank 80/88	93.00	8.60	7.92	9.28	1. 2.88
6¾% Int'l. Com'l. Bank 73/83	94.00	7.18	2.22	8.86	1. 8.79—830
8¼% Ireland 76/81	99.50	8.29	0.83	8.84	1. 1.81
7½% Ireland 79/87 PP	89.00	8.43	7.17	9.69	1. 5.87
8⅛% Ireland 80/89	93.25	8.71	7.83	9.37	1. 1.88
7¾% ISCOR 71/86 (G)	95.75	8.09	6.25	8.83	1. 6.77—860
7% ISCOR 72/87 (G)	91.50	7.65	3.90	9.90	1. 4.78—870
7% ISCOR 73/88 (G)	91.50	7.66	4.26	9.52	1. 3.79—88D
8½% ISCOR 73/88 (G)	96.50	8.81	4.37	9.49	1.11.79—88D
8¾% ISCOR 77/80 I PP (G)	98.00	9.42	0.54	12.05	16. 9.79—80D
8¼% ISCOR 77/80 II PP (G)	98.00	8.42	0.79	10.93	16.12.79—80D
7¾% ISCOR 78/82 PP (G)	95.00	8.16	1.57	11.38	1. 4.81—820
8¼% ISCOR 78/84 PP (G)	95.75	8.62	4.62	9.40	16.10.84
7% Japan 68/83	99.50	7.04	3.00	7.32	1. 3.72—836
7¼% Japan Dev. Bank 76/83 (G)	94.75	7.65	3.08	9.28	1. 4.83
8% Johannesburg 71/86 (G)	95.00	8.42	3.31	9.81	1. 9.77—86D
6¼% Johannesburg 72/87 (G)	89.25	7.00	3.76	9.78	1. 9.78—870
7¾% Johannesburg 78/82 PP (G)	95.00	8.16	2.16	10.42	30. 4.82
7¼% Jydsk Telefon 69/84	97.35	7.45	4.54	8.12	15. 8.75—84S
6¾% Jydsk Telefon 72/87	90.50	7.46	7.00	8.61	1. 3.78—87D
7¾% Jydsk Telefon 73/88	90.75	7.99	7.92	8.32	1. 2.80
8% Jydsk Telefon 75/82 PP	99.50	9.05	2.33	9.20	1. 2.79—880
8½% Jydsk Telefon 80/90	96.50	8.81	9.92	9.04	1. 2.90
6¾% Kansai Electric 69/84	97.00	6.96	4.00	7.78	1. 3.75—84S
7¾% Kansai Electric 71/88	97.60	7.95	8.17	8.27	1. 5.77—86S
6¾% KELAG 73/88	88.25	7.65	8.17	8.82	1. 6.79—88S
6¾% KNO Finance 72/87	91.25	7.40	7.17	8.42	2. 5.78—873
7⅜% Kjobenhavns N. Bank 76/83 PP	89.00	8.29	3.75	11.08	1.12.83
7¼% Kjobenhavns Tel. 72/37	91.00	8.24	8.84	9.52	2. 1.78—87S
7% Kjobenhavns Tel. 72/87	88.00	7.96	7.17	9.35	1. 5.78—87S
6½% Kjobenhavns Tel. 73/88	88.80	7.49	8.06	8.85	1. 4.79—888
5% KLM Royal Dutch Airl. 78/85 PP	88.50	5.65	9.08	9.47	1. 5.79—85D
7% Kobe 68/83 (G)	95.00	7.37	3.26	8.99	1. 8.72—838
6¾% Kobe 69/84 69/84 (G)	94.80	7.11	4.17	8.38	1. 5.73—84S
7¾% Kobe 71/86 (G)	97.00	7.98	5.92	8.41	1. 2.77—86S
6¾% Kobe 72/87 (G)	90.50	7.46	7.17	8.67	1. 5.78—87S
8¼% Kobe 75/80 PP (G)	98.75	8.27	0.25	9.02	due 1. 6.80
7½% Kobe 76/83 (G)	94.60	7.83	3.25	9.48	1. 6.83
6½% Kobe 77/87 (G)	85.25	7.62	7.25	9.38	1. 8.87
5¾% Kobe 78/86 (G)	81.90	7.02	6.33	9.68	1. 7.89
7½% Kobe 78/89 (G)	86.00	8.28	9.58	9.39	1.10.89
7¾% Kommunl. Inst. 76/83	94.75	8.18	2.05	10.72	1. 4.81—83D
8% Kommunl. Inst. 78/84	95.50	8.38	4.62	9.22	15.10.77—84D
7¼% Korea Dev. Bank 77/84 (G)	87.00	8.33	4.75	10.88	1.12.84
5¼% Kubota Int'l. 77/82 PP	91.75	5.72	2.24	9.49	1.12.81—82D
5¾% Kvaerner Ind. 78/89 PP	84.00	6.85	5.91	9.40	1. 3.84—88D
8½% Light-Servicos 77/82 (G)	97.60	8.71	2.00	9.88	1. 3.82

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
6¾% Light-Servicos 78/86 (G)	82.00	8.23	6.17	10.80	1. 5.66
8½% Light-Servicos 80/80 (G)	88.00	8.66	7.77	10.85	16. 1.86—900
8¼% Lonza Int'l. 75/80 PP	99.00	8.33	0.21	13.05	due 15. 5.80
6½% Lufthansa Int'l. 79/86 PP	92.00	7.07	6.00	8.24	1. 3.86
7% Malaysia 72/84	90.00	7.78	2.68	11.51	1. 6.75—84D
6½% Malaysia 77/85	87.75	7.41	5.50	9.44	1. 9.85
9¼% Malmoe 75/84	99.50	9.30	2.36	8.48	1. 2.81—84D
8¼% Malmoe 76/83	99.00	8.33	1.97	8.82	1. 3.80—830
6½% Manitoba 77/84	90.75	7.16	4.33	9.16	1. 7.84
6¾% Manit. Hydro El. 72/87	92.00	7.34	7.25	8.25	1. 6.78—87S
6¼% Megal Fin. Comp. 78/90	80.00	7.81	9.84	9.46	2. 1.85—90S
7% Megal Fin. Comp. 79/89	83.00	8.43	9.08	9.92	1. 4.87—89P
7% M E P C 73/88	90.75	7.71	4.43	9.65	1. 5.79—880
7% Mexico 68/84	101.00	6.93	2.30	6.62	2. 1.73—845
7¼% Mexico 73/88	90.25	8.03	7.83	9.03	1. 1.79—88S
8% Mexico 75/82	99.00	9.09	2.33	9.46	1. 7.82
8% Mexico 76/83	95.00	8.42	3.25	8.85	1. 6.83
7¾% Mexico 77/84	93.25	8.31	4.25	9.74	1. 6.84
8% Mexico 78/85	86.75	6.92	5.08	9.39	1. 4.85
6½% Mitsubishi Chemical 79/84	91.25	7.12	4.10	9.11	30. 4.84
5¾% Mitsubishi Petro 78/83	88.75	6.41	3.50	9.39	1. 9.83
7¾% Mitsui Toatsu 75/81 PP	97.50	7.95	1.54	9.51	15. 8.81
8% MODO 75/83	100.00	8.00	1.69	8.95	1. 6.80—83D
7% Montreal 69/89	89.75	7.80	4.19	10.11	1. 4.70—89D
6% Montreal 72/92	84.65	7.09	5.87	9.32	1. 9.73—920
6¾% Montreal 73/93	89.75	7.61	13.25	8.16	1. 6.74—935
8½% Montreal 76/86	98.00	8.67	6.33	8.91	1. 7.77—86S
7% Montreal 77/87	88.75	7.89	7.37	9.15	16. 7.78—87S
7½% Mortg. Denmark 69/84 (G)	98.00	7.65	4.67	8.15	1.11.75—84S
7% Mortg. Denmark 73/88 (G)	90.00	7.78	8.33	8.73	1. 7.79—88S
6¾% Mortg. Bk. Finl. 69/84 (G)	96.00	7.03	4.08	8.07	1. 4.73—84S
8¾% Nafi. Mexico 77/84 (G)	97.50	8.97	9.75	9.65	1.12.83
7% Nafi. Mexico 77/82 PP (G)	93.50	7.49	2.50	10.03	1. 9.82
8¾% Nafi. Mexico 77/84 (G)	98.00	8.93	4.00	9.37	1. 3.84
8¾% Nafi. Mexico 77/84 PP (G)	96.00	9.11	4.00	10.01	1. 3.84
8¼% Nat. Bk. Hungary 75/81	98.50	8.36	1.33	9.43	1. 7.81
6½% Nat. Bk. Hungary 77/85	85.50	7.60	5.67	9.95	1.11.85
7% Nat. Nederl. Fin. Mast. 79/86 PP	86.25	7.84	8.58	9.24	1.10.66
8% Nat'l. Westm. Bk. 73/88	98.50	8.12	8.58	8.34	1.10.79—88S
8% Nederl. Gasunie 79/86	93.00	8.60	6.74	9.44	1.12.83—86D
6¾% New Brunswick 72/87	93.50	7.22	7.67	7.90	1.11.78—87S
7¼% Newfoundland 69/84	89.00	7.40	4.42	7.94	1. 8.75—84S
8% Newfoundland 71/88	94.50	8.47	6.42	9.15	1. 8.77—86S
6¾% Newfoundland 72/87	90.00	7.50	7.67	8.57	1.11.78—87S
6½% Newfoundland 73/88	90.75	7.16	8.08	8.10	1. 4.81—88S
6¾% New Zealand 69/84	95.90	7.04	2.36	8.89	1. 2.75—84D
7½% New Zealand 71/86	95.10	7.89	3.54	9.36	1. 5.77—86D
7% New Zealand 72/87	92.25	7.59	3.73	9.56	1. 2.78—87D
8¼% New Zealand 75/80 PP	98.75	8.27	0.33	8.80	1. 7.80
7½% New Zealand 76/83	97.25	7.71	3.00	8.58	1. 3.83
7¾% New Zealand 76/86	94.00	8.24	4.58	9.40	1.11.82—86D
6¼% New Zealand 77/84	90.50	6.91	4.17	9.08	1. 5.84
5¼% New Zealand 78/88	81.00	6.48	8.00	9.66	1. 3.86
6% New Zealand 78/86 PP	84.00	7.14	5.92	9.67	1. 2.86
6¼% New Zealand 79/87	83.50	7.49	6.83	9.65	1. 1.87
7¼% New Zealand 79/87	89.25	7.98	7.54	9.15	15. 9.87
8¼% New Zealand 75/84 PP	97.50	8.46	4.75	8.90	1.12.84
6¾% Nippon Housing Loan 78/84 PP	91.00	7.42	4.21	9.42	16. 5.84
6½% Nippon Kokan 79/84	90.00	7.22	4.08	9.57	1. 4.84
6¾% Nippon Steel 78/85	84.25	6.82	5.50	9.55	1. 9.85
8¾% Nippon T + T 75/82 (G)	100.25	8.73	2.00	8.61	1. 3.82
6¾% Nippon T + T 75/82 (G)	99.25	8.31	2.25	8.60	1. 6.82
7¾% Nippon T + T 76/83 (G)	95.25	8.14	3.58	9.34	1.10.83
5½% Nippon T + T 79/87 (G)	81.00	6.79	6.92	9.35	1. 2.87
5¾% Norcem 78/85	85.00	6.76	5.00	9.67	1. 3.85
7½% Norcem 79/86 PP	89.50	8.38	6.50	8.74	1. 9.86
5% Norddt. LB Int'l. 78/84 PP	86.00	5.61	3.92	9.43	1. 2.84
6¾% Nordic Inv. Bank 79/86	86.00	7.27	5.23	9.47	1. 1.86
8½% Norges Komm. Bank 70/85 (G)	99.50	8.54	5.55	8.90	1.10.76—85S
8% Norges Komm. Bank 75/80 (G)	99.55	8.04	0.25	9.61	due 1. 6.80
8% Norges Komm. Bank 75/80 PP (G)	99.50	8.04	0.33	9.34	1. 7.80
7% Norges Komm. Bank 76/81 (G)	97.75	7.16	1.17	9.08	1. 5.81
7% Norges Komm. Bank 77/89 (G)	90.50	7.73	9.06	8.54	1. 4.80—89S
6% Norges Komm. Bank 77/89 I (G)	83.50	7.19	9.62	8.58	18.10.80—89S
6% Norges Komm. Bank 77/89 II (C)	83.50	7.19	9.75	8.56	1.12.80—89S
6¾% Norges Komm. Bank 79/89 (G)	81.75	7.34	10.42	8.73	1. 8.81—90S
6¾% Norges Komm. Bank 79/89 (G)	85.50	7.31	8.53	8.65	1. 1.84—89S
7¾% Norges Komm. Bank 79/89 PP (G)	88.50	8.33	9.40	9.24	16. 8.84—89S
7¾% Norges Komm. Bank 78/91 (G)	89.75	8.64	11.33	9.24	1. 7.84—91S
8¼% Norges Komm. Bank 79/94 (G)	93.75	8.80	14.79	9.02	16.12.85—94S
8½% Norpipe 76/84	99.00	8.59	3.92	8.80	1. 2.80—845
8% Norpipe 76/88	91.50	8.74	8.25	9.52	1. 6.83—395
6% Norpipe 77/89	79.50	7.55	9.67	9.30	1.11.84—89S
7¼% Norsea Gas 76/88	87.50	8.29	8.75	9.40	1.12.83—88S
7% Norsea Gas 77/89	85.00	8.24	9.33	9.48	1. 7.84—89S
9% Norsk Hydro 75/87	100.60	8.95	3.28	8.79	1. 3.80—87D
8% Norsk Hydro 76/88	95.00	8.42	8.08	8.89	1. 4.83—88S
6¾% Norsk Hydro 77/89	85.50	7.89	9.25	9.13	1. 6.82—895
8¼% Norway 75/80	99.75	8.27	0.17	9.50	due 1. 5.80
8¼% Norway 75/80 PP	99.75	8.27	0.25	9.02	due 1. 8.80
7¾% Norway 75/80	99.25	7.81	0.75	8.74	1.12.80
7% Norway 76/81	98.00	7.14	1.17	8.84	1. 6.81

Nutshell Survey

Only 20 trading days, but a yield jump of + 1.09% (8.27 % to 9.36%).

Heavy turnover and abrupt changes kept dealing rooms humming

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
7½% Norway 76/81	99.25	7.56	1.33	8.06	1. 7.81
8¾% Norway 77/82	95.50	8.81	1.83	9.26	1. 1.82
6¾% Norway 77/83	85.10	6.67	2.06	8.93	7. 4.82
5¾% Norway 77/82	92.00	6.25	2.42	9.59	1. 8.82
4¾% Norway 78/83	89.25	5.32	2.83	9.22	1. 1.83
4¾% Norway 78/83	87.75	4.99	3.08	9.10	1. 4.83
6¼% Norway 75/84	90.60	6.90	4.08	9.10	1. 4.84
7½% Norway 80/85	94.25	7.96	4.87	9.00	15. 1.85
7¼% Norw. Mortgage 77/87	91.75	7.50	5.12	9.34	16. 5.83—87D
6% Norw. Mortgage 77/89	83.50	7.19	5.86	9.77	16.11.82—89D
7¾% Nova Scotia 71/86	97.50	7.95	3.58	8.73	1.12.77—86D
7% Nova Scot. Power 72/87	95.25	7.35	7.75	7.83	1.12.79—87S
6¾% Occident. Int. Fin. 76/90	82.75	8.16	10.75	9.25	1.12.85—90S
6½% Occident. Overs. 68/83	92.25	7.05	3.58	9.28	1.10.72—83S
6¾% Oester. Bundes-Sch. 68/80 PP	99.50	6.78	0.25	8.93	due 1. 6.90
6% Oester. Donaukr. 59/84 (G)	84.60	6.35	3.26	8.80	1. 2.65—84D
6¾% Oester. Donaukr. 73/88 (G)	87.75	7.69	8.00	9.96	1. 3.79—88S
8¾% Oester. Donaukr. 75/85 (G)	100.10	8.74	2.92	8.71	1. 3.81—85D
7% Oest. El. Wirtsch. 67/87 (G)	93.25	7.51	2.74	9.38	1. 2.72—870
7% Oest. El. Wirtsch. 76/83 PP (G)	91.75	7.63	3.79	9.69	16.12.83
5½% Oest. Ind. Verwaltung 78/85 PP (G)	83.25	6.61	5.23	9.65	1. 7.85
6⅞% Oest. Inv. Kredit. 78/84 PP	98.75	6.96	4.67	7.19	1.11.84
7% Oest. Kontrollbank 76/83 PP (G)	92.00	7.81	3.75	9.62	1.12.83
6¾% Oest. Kontrollbank 77/94 PP (G)	81.00	7.42	3.92	9.61	1. 2.84
6½% Oest. Kontrollbank 77/84 PP (G)	86.75	7.32	4.33	9.75	1. 7.94
6¼% Oest. Kontrollbank 77/84 PP (G)	89.00	7.02	4.42	8.39	1. 8.84
8% Oest. Kontrollbank 77/85 PP (G)	83.50	7.19	5.67	9.93	1.11.85
5¾% Oest. Kontrollbank 78/84 PP (G)	88.00	6.53	4.42	9.16	1. 8.84
6½% Oest. Kontrollbank 78/68 (G)	83.75	7.76	8.79	9.28	16.12.88
6% Oest. Kontrollbank 75/87 PP (G)	85.50	7.02	6.92	8.99	1. 2.97
7¾% Oest. Kontrollbank 79/89	89.00	8.38	9.57	9.31	1.10.89
8% Oest. Kontrollbank 80/87	97.00	8.25	4.75	8.78	1. 2.87
8% Oest. Kontrollbank 79/84 PP (G)	93.00	8.47	5.79	9.40	1.12.84
7⅞% Oest. Kontrollbank 75/86 PP (G)	96.75	8.27	6.92	8.64	16.12.86
5½% Oest. Länderbank 77/82	92.00	5.98	2.75	8.69	1.12.82
6½% Ontario 69/84	95.00	6.84	2.36	9.09	1. 2.75—840
6% Ontario 72/87	87.50	6.65	3.75	10.15	1. 9.80—87D
7½% Ontario Hydro 71/86	95.00	7.89	3.57	9.19	1.12.77—86D
6½% Ontario Hydro 72/87	92.25	7.03	4.08	8.83	1. 6.80—87D
6½% Ontario Hydro 73/89	93.00	6.99	4.29	8.52	1. 3.81—88D
7½% Oslo 69/84	97.75	7.67	2.53	8.66	1.11.75—840
7½% Oslo 71/87	96.50	7.85	6.84	8.55	2. 1.78—875
6¾% Oslo 73/90	86.25	7.65	10.33	8.49	1. 7.70—90S
8% Oslo 75/87	100.60	8.95	3.47	8.73	1. 3.78—875
6¾% Papua 73/88	91.50	7.38	9.33	8.19	7. 7.79—88
6¾% Parker-Hannifin 77/87 PP	88.00	7.67	5.16	9.81	1. 6.83—87
7½% Parker-Hannifin 79/87 PP	88.50	8.47	6.23	10.02	1. 7.85—87
8¾% Pemex 76/83	98.75	8.86	3.75	9.14	1.12.83
7% Pemex 77/84	89.00	7.87	4.50	10.14	1. 8.84
7% Pemex 78/86	86.75	8.07	5.83	10.11	1. 1.65
7% Petrobras 77/84	86.50	7.91	4.58	10.34	1.10.84
7% Petrobras 78/88	83.00	8.43	6.48	10.70	1.10.84—88
8% Petrobras 79/89	86.00	9.30	7.48	10.50	1.10.85—89
7¼% Philippine 77/84	92.25	7.86	4.67	9.36	1.11.84
6¾% Philippine 78/85	87.50	7.71	5.09	10.00	1. 4.85
8¾% Philips 75/81 PP	99.00	8.84	1.03	9.73	1. 4.81
8½% Philips 75/81 PP	98.75	6.61	1.12	9.69	15. 4.81
8¾% Philips 75/82	100.60	8.70	2.04	8.42	15. 3.82
6¼% PK-Banken 78/88	82.00	7.01	6.07	9.82	1. 5.84—88D
9¼% Platm. Malmoe 76/80 PP	99.00	9.34	0.17	15.17	due 1. 5.80
6½% Postipankki 79/85 PP	98.00	6.35	3.79	6.80	1. 2.82—850
7¼ Privatbk. Copenh. 77/83 PP	95.00	7.60	3.08	9.50	1. 4.83
6¼% Pyhrn Autobahn 77/88 (G)	83.50	7.49	6.87	9.62	1. 9.84—89D
6½% Quebec 72/87	90.00	7.17	2.59	9.70	1. 7.78—87D
7½% Quebec 77/87	91.25	8.22	6.92	9.26	1. 2.87
7¼% Quebec 77/87	90.50	8.91	7.25	9.08	1. 6.87
6% Quebec 78/90	81.50	7.36	7.53	9.55	1. 5.85—90D
6¾% Quebec Hydro El 69/84	99.50	6.78	3.92	7.01	1. 2.75—84S
7¼% Quebec Hydro El 69/84	96.00	7.55	2.41	9.34	1. 9.75—84D

WestLB Euro-Deutschmarkbond Yield Index

February 29, 1980: 9.36% (January 31, 1980: 8.27%)

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment
8% Quebec Hydro El 71/86	90.00	8.33	3.32	9.65	1. 9.77—860
6½% Quebec Hydro El 72/87	90.00	7.22	2.90	9.69	1. 4.78—87D
6½% Quebec Hydro El 73/88	90.00	7.22	3.69	9.56	1. 3.79—880
6½% Quebec Hydro El 77/97	84.50	7.69	7.40	9.48	16. 8.87P
6¼% Quebec Hydro El 77/87	85.65	7.30	7.75	8.58	1.12.87P
8¼% Queensland Alu 70/85	98.75	8.61	5.57	8.97	1.11.76—85S
5¾% Rautaruukki 78/88 (G)	83.00	6.93	3.99	9.01	1. 4.84—880
7¼% Reed Paper 73/88	95.50	7.59	7.83	3.04	1. 1.79—88S
8½% Renfe 76/82 (G)	96.50	8.65	2.33	9.20	1. 7.82
8% Renfe 77/84 (G)	94.50	5.47	4.38	9.69	1. 4.84
7% Renfe 79/87 (G)	67.00	8.05	7.25	9.55	1. 6.87
5¼% Ricoh Comp. 78/83	86.25	6.09	3.42	10.19	1. 8.83
6¾% Roy Lease 79/84 PP	63.00	7.26	4.58	8.65	1.10.84
7¾% SAAB 71/86	95.85	8.09	6.25	8.60	1. 6.7—865
7½% Saga Petrokjemi 77/87 PP	90.00	8.33	7.35	9.44	1. 7.83—87S
7½% Sandvik 72/87	94.00	7.98	3.74	9.47	1. 2.78—870
9¼% Sandvik 75/83	101.00	9.16	2.92	8.83	1. 2.83
7% Sanko Steamship 77/84	85.50	7.49	3.92	9.04	1. 2.84
9% S.A.P.L. 76/80 PP (G)					due 1. 3.80
6½% Shell Int'l. 72/87	91.75	7.08	7.08	9.07	1. 4.78—87S
6¾% Shell Int'l. 77/88	87.75	7.69	8.85	9.24	1. 2.85—89D
8¼% Ship. Co. New Zeal. 75/80 PP (G)	99.00	8.33	0.26	12.08	due 3. 8.80
7% Siemens Europe 66/81	96.65	7.10	1.67	7.86	1.11.70—81S
7% Singapore 72/82	96.25	7.27	2.33	9.00	1. 7.78—82S
6½% Singapore 77/83	91.75	7.08	3.17	9.63	1. 5.83
6½% Sira Kvina 70/85	98.25	8.85	2.62	9.47	1. 8.76—85D
6½% S.N.C.F. 68/83 (G)	93.75	6.93	3.58	8.58	1.10.72—83S
7½% Soc. Dev. Reg. 76/86 (G)	92.60	8.11	3.78	9.87	1. 4.80—86D
6¼% Soc. Dev. Reg. 77/92 PP (G)	82.00	7.62	7.92	9.59	16.12.83—92D
9% Soc. Mar. Fina 75/88 PP	86.00	9.08	1.76	9.61	1. 6.79—83D
6¼% Sorrento 79/84 PP	86.50	6.96	9.87	9.81	16. 1.84
6¾% South-Africa 69/84	94.00	7.18	4.08	8.70	1. 4.73—84S
8½% South-Africa 70/85	99.50	6.54	5.67	8.79	1.11.76—85S
7¾% South-Africa 71/86	97.25	7.97	6.67	8.46	1.11.77—86S
7% South-Africa 72/87	93.00	7.53	7.67	8.26	1.11.78—87S
8% South-Afr. Broadc. 78/81 PP (G)	95.00	8.42	1.00	13.68	1. 3.81
7¼% South-Afr. Oil Fund 78/81 I PP (G)	95.00	7.63	1.87	10.62	1.11.81
7¼% South-Afr. Oil Fund 78/81 II PP (G)	95.00	7.63	1.71	10.55	16.11.81
7¾% South-Afr. Oil Fund 78/82 I PP (G)	95.00	8.16	2.42	10.14	1. 8.82
7¾% South-Afr. Oil Fund 78/82 II PP (G)	95.00	8.16	2.54	10.03	16. 8.82

Continued on Page VIII

CONVERTIBLES—U.S. (CONTINUED)

Issued / Est. O/S ($m)	Year of issue / Issue price	Borrower / Coupon maturity	Bond price / Share price	Cur. bond yld / Cur. share yld	Yield to maturity / P.E.R.	Yield to next call / Next call price	Call not (days) / Next call date	Premium / Discount % first C/V date	Conv. price / Date of conv. start
25 / 25.0	1972 / 100.00	AMERICAN MEDICAL INT 5.50 15/4/1992	108 3/8 / 37 1/2	5.07 / 2.13	4.58 / 14.00	* / 103	30Y / 1980	-1.22 / DP1983	$U 34.18 / 15/10/1972
10 / 10.0	1969 / 100.00	AMERICAN MEDICAL INT 7.00 1/1/1990 S	134 1/2 / 37 1/2	3.27 / 2.13	2.96 / 14.00	* / 102 1/2	30C / 1980	-3.48 / DP1981	$U 26.91 / 15/7/1970
25 / 16.0	1972 / 100.00	AMERICAN MOTORS O/S 6.00 1/4/1992	110 / 8 3/8	5.45 / .84	4.88	* / 103	90C / 1981	-1.49 / 1983	$U 7 1/2 / 1/10/1972
50 / 17.0	1968 / 100.00	AMERICAN TOBACCO INT 5.15 1/8/1988 S	162 5/8 / 61 1/8	3.25 / 9.00	5.00	* / 101	30 / 1980	-4.22	$U 36 / 15/9/1969
30 / 30.0	1972 / 100.00	AMF 5.00 15/9/1987	59 / 13 3/4	8.47 / 9.02	14.18 / 5.00	102 1/2	50 / 1980	124.20	$U 52 1/4 / 1/6/1975
15 / 15.0	1968 / 100.00	BANGOR PUNTA INT 5.25 1/7/1988 S	65 1/2 / 25 5/8	8.18 / 3.12	12.23 / 4.00	100 3/4	30 / 1980	38.60 / DP1979	$U 54.17 / 15/2/1969
20 / 11.0	1966 / 100.00	BANKERS INT — (LUX) 5.00 1/6/1985 S	33 / 40 3/4	8.11 / 8.10	8.75 / 4.00	100	30 / 1980	22.21 / DP1976	$U 60 / 1/12/1967
25 / 23.0	1972 / 100.00	BEATRICE FOODS O/S 4.50 1/9/1992	74 1/8 / 19	6.07 / 6.32	7.81 / 7.00	102 1/2	30 / 1980	9.24 / 1982	$U 28 / 1/4/1973
25 / 22.0	1973 / 100.00	BEATRICE FOODS O/S 4.875 15/8/1993	77 1/2 / 19	6.29 / 6.32	7.60 / 7.00	101 1/2	30 / 1980	-7.20	$U 22 3/4 / 1/4/1974
25 / 25.0	1971 / 100.00	BEATRICE FOODS O/S 6.25 1/8/1991	90 3/8 / 19	6.92 / 6.32	7.53 / 7.00	103 1/2	30 / 1980	8.81 / DP1981	$U 22 7/8 / 1/3/1972
20 / 9.2	1970 / 100.00	BEATRICE FOODS O/S 7.15 1/11/1990	101 3/4 / 19	7.13 / 6.32	7.00 / 7.00	103	30 / 1980	-6.28 / DP1980	$U 17 1/2 / 1/7/1971
30 / 30.0	1972 / 100.00	BORDEN O/S CAP 5.00 1/9/1992	73 3/4 / 23	8.78 / 7.91	8.45 / 5.00	102	30 / 1980	1.01	$U 31 1/2 / 1/7/1973
30 / 30.0	1971 / 100.00	BORDEN O/S CAP. 6.75 15/7/1991	86 5/8 / 23	7.98 / 7.91	8.95 / 5.00	102 1/2	30 / 1980	5.78	$U 28 3/4 / 15/4/1972
15 / 15.0	1963 / 100.00	BRISTOL-MYERS INT 4.50 31/12/1980 S	112 1/2 / 33 3/8	4.04 / 4.31	10.00	* / 100	30 / 1980	-3.09	$U 28 3/4 / 30/6/1966
35 / 29.1	1972 / 100.00	BROADWAY-HALE STORES 4.75 15/6/1987	63 1/2 / 16	7.48 / 6.80	12.70 / 6.00	101 1/2	30 / 1980	64.70	$U 61 1/2 / 15/6/1973
10 / 9.5	1968 / 100.00	BROWN & SHARPE 5.50 1/3/1988	105 3/4 / 29 1/4	5.20 / 4.10	4.62 / 6.00	* / 102	30 / 1980	-6.36 / DP1979	$U 25.9 / 10/9/1968
25 / 25.0	1973 / 100.00	CARNATION 4.00 14/1/1988	63 1/8 / 25 1/4	8.34 / 5.94	11.31 / 7.00	100 1/2	30Y / 1981	30.00	$U 52.026 / 1/8/1973
9 / 7.5	1969 / 100.00	CARRIER O/S 6.00 1/12/1989 S	79 / 46 5/8	7.74 / 4.72	9.54 / 7.00	102 1/2	30 / 1980	-50.86 / DP1979	$U 29 / 31/7/1970
50 / 50.0	1979* / 100.00	CHARTER INTL FIN 8.25 1/10/1994	91 7/8 / 40 1/8	8.98 / 1.99	9.28 / 3.00	106	30 / 1980	11.62	$U 48 3/4 / 5/1/1980
12 / 10.3	1969 / 100.00	CHESEBROUGH-PONDS INT 4.75 31/12/1983	80 / 22 1/8	5.40 / 5.79	8.54 / 9.00	101	30 / 1980	-2.55 / DP1977	$U 24 1/2 / 1/11/1969
25 / 23.2	1969 / 100.00	CHESEBROUGH-PONDS INT 6.25 15/12/1984	90 5/8 / 22 1/8	6.90 / 5.79	8.71 / 9.00	102 1/2	30 / 1980	9.57 / DP1977	$U 26 3/4 / 13/9/1970
50 / 13.8	1968 / 100.00	CHEVRON OIL O/S 5.00 1/2/1988	238 / 79 1/2	2.10 / 4.03	8.00	* / 101 3/4	30 / 1980	-6.99 / DP1979	$U 31.07 / 1/8/1968
60 / 51.0	1968 / 100.00	CHRYSLER O/S CAP 5.00 1/2/1988 S	49 3/8 / 8	10.38	17.48	100 1/2	30 / 1980	DP1979	$U 62 / 15/6/1968
50 / 50.0	1968 / 100.00	CHRYSLER O/S CAP 4.75 15/5/1988 S	48 1/2 / 9	10.03	17.04	100 3/4	50 / 1980	DP1979	$U 73 1/2 / 15/12/1968
12 / 10.0	1968 / 100.00	CIG INT CAP 5.75 1/12/1988 S	48 3/4 / 3 1/8	12.16	19.08 / 5.00	101 3/4	30 / 1980	1979	$U 26 3/4 / 15/7/1969
30 / 30.0	1978 / 100.00	COCA-COLA BOTTLING 6.75 15/8/1993	73 1/2 / 5 3/8	9.19 / 8.19	19.50 / 12.00	104 1/2	35 / 1980	23.07	$U 8 / 30/4/1979
30 / 30.0	1969 / 100.00	COMMONWEALTH O/S 5.75 1/2/1984 S	E			101 3/4	30 / 1980	1976	$U 23 7/8 / 1/11/1969
25 / 25.0	1968 / 100.00	CONTINENTAL TELEPHONE 5.50 1/3/1988	81 3/4 / 15 5/8	6.75 / 9.98	8.77 / 6.00	102	30 / 1980	48.44 / DP1975	$U 24.74 / 1/4/1969
15 / 14.0	1968 / 100.00	CONTROL DATA INT 5.00 1/4/1988	65 / 54 3/4	7.69 / 1.10	11.99 / 8.00	102	30 / 1980	53.22 / DP1983	$U 129.06 / 13/10/1968
20 / 2.0	1968 / 100.00	CUMMINS INT FIN 5.00 1/8/1988 S	63 3/8 / 31 3/4	8.09 / 5.87	7.67 / 5.00	100 3/4	30 / 1980	-5.04 / DP1979	$U 36.16 / 1/5/1969
15 / 13.0	1971 / 100.00	CUMMINS INT FIN 6.25 1/10/1986 S	78 1/8 / 31 3/4	8.10 / 5.67	11.50 / 5.00	102 1/2	30 / 1980	34.10	$U 54 1/2 / 30/6/1972
20 / 20.0	1972 / 100.00	DAMON 5.25 1/12/1987	49 / 9 7/8	10.71 / 3.40	17.88	102	30 / 1980		$U 72 3/4 / 1/7/1973
20 / 20.0	1972 / 100.00	DART INDUSTRIES 4.75 15/8/1987	67 3/4 / 50	7.01 / 5.60	11.30 / 9.00	101 1/2	30 / 1980	34.16	$U 99.01 / 1/9/1973
15 / 15.0	1969 / 100.00	DENNY INTERNATIONAL 5.50 1/3/1989	66 / 13 1/8	8.33 / 6.70	11.64 / 5.00	101 1/2	30 / 1980	106.02 / DP1980	$U 40.97 / 1/10/1969
9 / 6.2	1968 / 100.00	DICTAPHONE INT 5.50 1/3/1988 S	319 5/8 / 33 3/4	6.90 / 4.15	3.56 / 8.00	* / 102 1/8	30 / 1980	-5.73 / DP1979	$U 28 / 1/10/1968
30 / 17.8	1968 / 100.00	DILLINGHAM INT 5.50 15/5/1988 S	66 5/8 / 12 7/8	8.25 / 4.66	12.36 / 6.00	101 1/2	30 / 1980	37.13 / DP1978	$U 36 1/2 / 31/12/1968
70 / 66.0	1969 / 100.00	EASTMAN KODAK INT 4.50 15/5/1988 S	67 1/2 / 45 3/8	6.70 / 5.29	10.70 / 7.00	101	30 / 1980	42.81	$U 96 / 15/3/1969
15 / 15.0	1972 / 100.00	EATON INT FIN 5.00 1/5/1987	76 5/8 / 23 5/8	6.53 / 7.28	9.66 / 4.00	102.48	30 / 1980	19.95	$U 36.67 / 1/1/1975
15 / 15.0	1972 / 100.00	E.L. INTERNATIONAL 4.75 15/12/1987	68 3/4 / 27 5/8	6.91	10.89	101.17	30 / 1980	38.26	$U 45 1/2 / 1/10/1973
15 / 12.2	1968 / 100.00	ELECTRONIC MEMORIES 5.50 15/12/1988 S	55 7/8 / 5	10.09	15.08	102 1/2	50 / 1980	DP1979	$U 33 1/2 / 15/7/1969
50 / 50.0	1979* / 100.00	ENSERCH FINANCE 9.50 15/12/1994	108 1/4 / 30 3/8	8.78 / 5.09	8.49 / 11.00	* / 106	15 / 1980	6.95	$U 30.157 / 15/7/1980
20 / 20.0	1965 / 100.00	FED DEPT STORES INT 4.50 15/12/1985 S	81 / 23	5.63 / 7.39	8.94 / 6.00	100	30 / 1980	44.39 / 1976	$U 41 / 15/7/1966
30 / 30.0	1972 / 100.00	FEDDERS CAP 5.00 1/5/1992	40 1/2 / 3 3/4	12.35	16.73	100 1/2	30 / 1980		$U 47 1/4 / 15/12/1972
60 / 57.0	1968 / 100.00	FIRESTONE O/S FIN 5.00 1/5/1988	58 / 8 1/4	8.62 / 7.27	13.91 / 16.00	101	30 / 1980	100.52 / DP1979	$U 29 3/8 / 31/12/1968
60 / 58.8	1968 / 100.00	FORD INT CAP 5.00 1/3/1988 S	70 / 30 1/2	6.51 / 15.11	11.26 / 3.00	101 1/4	50 / 1980	41.22	$U 15.22 / 15/12/1966
75 / 75.0	1973 / 100.00	FORD INT FIN 5.00 15/3/1988	65 1/4 / 50 1/2	7.66 / 13.11	11.96 / 3.00	101 1/2	30 / 1980	20.25	$U 56.21 / 30/4/1974
50 / 50.0	1971 / 100.00	FORD INT CAP 6.00 15/3/1986	75 5/8 / 30 1/2	7.93 / 13.11	11.87 / 3.00	101.85	30 / 1980	25.17	$U 50.48 / 1/10/1971
10 / 10.0	1979* / 100.00	GALVESTON-HOUSTON INT L 8.00 15/12/1994	109 1/4 / 40 3/8	7.32	6.97	* / 106	50 / 1980	5.53	$U 39 / 20/3/1980
20 / 20.0	1979* / 100.00	GALVESTON-HOUSTON INT 8.75 15/4/1994	123 7/8 / 40 3/8	7.06	6.17	* / 106	30 / 1980	-.29 / DP1985	$U 33 1/2 / 7/9/1978
30 / 30.0	1980* / 100.00	GEARHART FIN 7.50 1/3/1995	100 5/8 / 53 7/8	7.45 / .67	7.43 / 26.00	106	50 / 1980	12.06	$U 60 / 1/6/1980
50 / 50.0	1972 / 100.00	GENERAL ELECTRIC O/S 4.25 15/6/1987	76 3/8 / 50 3/8	5.56 / 5.56	8.76 / 8.00	102	30 / 1980	22.43	$U 60 3/4 / 15/6/1973
50 / 50.0	1967 / 100.00	GENERAL FOODS O/S 4.625 1/10/1982 S	83 5/8 / 26 7/8	5.61 / 7.44	12.56 / 5.00	100	30 / 1980	33.41	$U 42.574 / 1/7/1968
15 / 12.4	1968 / 100.00	GENESCO WORLD APPAREL 5.50 1/3/1988	49 / 3 5/8	11.22	18.00	102	30 / 1980	DP1978	$U 38 / 1/11/1968
20 / 5.1	1969 / 100.00	GIFFEN INTERNATIONAL NV 5.75 1/2/1984 S	57 / 3 1/2	10.34	26.27	101 1/4	30 / 1980	1974	$U 19 / 1/9/1969
50 / 50.0	1967 / 100.00	GILLETTE INT CAP 4.75 31/12/1982 S	78 7/8 / 21 5/8	6.11 / 7.95	14.50 / 6.00	100 1/2	50 / 1980	146.20	$U 67 1/2 / 31/5/1968
50 / 50.0	1972 / 100.00	GILLETTE 4.75 1/12/1987	63 1/2 / 21 5/8	7.48 / 7.95	12.37 / 6.00	102	30 / 1980	96.74	$U 67 / 30/6/1973
15 / 9.5	1966 / 97.50	W.R. GRACE O/S 5.00 1/4/1986 S	81 1/2 / 41 5/8	6.23 / 4.52	9.22 / 8.00	100 1/4	30 / 1980	12.23 / 1976	$U 57.32 / 1/3/1967
50 / 46.0	1968 / 100.00	GULF & WESTERN INT 5.00 1/2/1988	100 3/8 / 19 7/8	4.98 / 3.77	4.93 / 4.00	101 3/4	30 / 1980	-1.72 / DP1979	$U 19.46 / 1/8/1968
15 / 12.6	1972 / 100.00	HARRIS INT FIN 5.00 1/10/1992	227 / 35 3/4	2.20 / 2.01	14.00	* / 105	30 / 1980	-3.68 / DP1985	$U 15.17 / 29/12/1972
15 / 10.0	1970 / 100.00	HOLIDAY INNS O/S 8.00 15/10/1985 S	86 1/8 / 17 3/4	9.50 / 3.72	11.73 / 8.00	102 1/2	30 / 1980	69.82 / DP1978	$U 35 / 1/5/1971
30 / 30.0	1971 / 100.00	HONEYWELL CAP 6.00 15/11/1986	90 3/8 / 53	6.64 / 2.80	7.89 / 8.00	102 1/2	30 / 1980	16.61	$U 120 / 1/7/1972
30 / 10.0	1968 / 100.00	HONEYWELL O/S FIN 5.00 15/2/1983 S	95 5/8 / 53	5.30 / 2.60	6.76 / 8.00	100 1/2	30 / 1980	6.16	$U 103 1/4 / 15/8/1968
25 / 15.0	1968 / 100.00	I.C.C. INT 5.50 1/8/1988 S	51	11.08	17.30	102 1/2	30 / 1980	1978	$U 53 1/2 / 1/6/1969
50 / 50.0	1977 / 100.00	INA OVERSEAS FIN 6.00 1/8/1997	90 1/4 / 29 7/8	6.65 / 7.36	6.98 / 5.00	104 1/2	35 / 1980	46.51	$U 48 1/2 / 1/5/1978
20 / 20.0	1971 / 100.00	INTER-CONT HOTELS O/S 7.00 15/6/1986	75 1/2 / 5 1/8	9.27	12.90 / 5.00	103.27	30 / 1980	102.87 / DP1981	$U 13.73 / 20/3/1972
50 / 00.3	1968 / 100.00	INT STANDARD ELECTRIC 5.00 15/2/1988	80 7/8 / 26 1/2	6.18 / 9.06	8.39 / 5.00	101 1/2	30 / 1980	65.02 / DP1978	$U 34.07 / 15/8/1968
10 / 16.0	1968 / 100.00	INT STANDARD ELECTRIC 5.25 1/12/1988	80 1/4 / 26 1/2	6.54 / 9.00	8.54 / 5.00	101 3/4	30 / 1980	99.78	$U 65.97 / 1/6/1969
25 / 16.0	1969 / 100.00	INT STANDARD ELECTRIC 6.25 1/11/1989	80 1/2 / 26 1/2	7.76 / 9.06	9.40 / 5.00	102 3/4	30 / 1980	80.41 / DP1979	$U 59.39 / 15/3/1970
12 / 2.2	1966 / 97.50	INT UTILITIES O/S 5.15 1/6/1986 S	96 1/2 / 14	5.51 / 6.79	6.01 / 7.00	100 1/2	90 / 1980	-9.36 / DP1977	$U 13.15 / 1/8/1967
15 / 15.0	1966 / 100.00	ISE FINANCE HOLDINGS 4.50 1/3/1986 S	76 1/2 / 26 1/2	5.97 / 9.06	19.00 / 5.00	100 1/4	30 / 1980	17.55 / DP1977	$U 40.72 / 1/1/1967
50 / 50.0	1972 / 100.00	I.T.T. 4.75 1/10/1987	64 3/4 / 26 1/2	7.34 / 9.06	12.09 / 5.00	101 1/2	30 / 1980	57.14	$U 56 1/8 / 15/4/1973
20 / 20.0	1969 / 100.00	I.T.T. SHERATON FIN 6.50 15/7/1989	71 / 26 1/2	9.15 / 9.06	11.75 / 5.00	103	30 / 1980	45.94	$U 54.47 / 1/2/1970
25 / 24.0	1968 / 100.00	JONATHAN LOGAN O/S 4.75 1/6/1988 S	70 3/4 / 8 7/8	6.83 / 6.76	17.46 / 8.00	100 1/2	30 / 1980		$U 34.79 / 15/12/1968
30 / 28.5	1968 / 100.00	KAISER ALUM & CHEM FIN 5.00 1/2/1988 S	98 1/4 / 23 5/8	5.15 / 5.08	5.34 / 4.00	101 5/8	30 / 1980	2.39 / 1979	$U 24.62 / 1/8/1969
40 / 15.5	1969 / 100.00	LEASCO INT 5.00 15/1/1989	106 / 64	4.72 / 3.15	4.10 / 3.00	* / 101	30 / 1980	2.69 / 1980	$U 62 / 1/8/1969
15 / 13.2	1968 / 100.00	LEHIN-TOWNSEND INT FIN 5.00 1/8/1988 S	41	12.57	20.52	102 3/4	30 / 1980	1979	$U 19.30 / 1/5/1969
50 / 30.0	1979* / 100.00	LPC INTERNATIONAL FIN 8.00 15/6/1989	116 3/8 / 27 1/2	6.87	5.63	* / 106	30 / 1980	48.11 / DP1984	$U 35 / 17/12/1979
80 / 80.0	1968 / 100.00	LTV INTERNATIONAL 5.00 1/7/1988	66 / 12 1/4	7.58	11.56 / 2.00	102	30 / 1980	37.60 / 1979	$U 25.34 / 1/2/1969
50 / 27.0	1968 / 100.00	MARINE MIDLAND O/S 5.00 15/3/1988	68 5/8 / 20 3/8	7.29 / 5.93	10.99 / 6.00	102	30 / 1980	31.72 / DP1976	$U 40 / 15/12/1968
15 / 9.6	1973 / 100.00	MARRIOTT 5.00 15/10/1988	79 1/4 / 23	6.31 / .87	8.48 / 12.00	101 1/2	30 / 1980	3.06	$U 29.91 / 15/3/1974
30 / 30.0	1973 / 100.00	MASCO 4.50 31/1/1988	82 1/2 / 26	5.45 / 2.31	7.51 / 9.00	101 1/2	30 / 1980	2.33	$U 32 1/4 / 1/1/1973
25 / 15.0	1972 / 100.00	MASSMUTUAL MTGE REALTY 6.75 15/7/1987	67 1/4 / 12 1/8	10.04 / 11.88	14.16 / 10.00	103	30 / 1980	78.87	$U 32 1/4 / 15/3/1973
30 / 15.8	1972 / 100.00	J. RAY McDERMOTT 4.75 15/10/1987	183 / 32 1/8	2.60 / 4.36	54.00	* / 101 1/2	30 / 1980	-4.50	$U 16 3/4 / 1/5/1973
15 / 15.0	1969 / 100.00	MDS CAP 5.50 1/3/1989 S	56 3/4 / 18 3/4	9.82	14.51 / 13.00	102	30 / 1980	148.19	$U 92 / 1/1/1978
15 / 12.3	1968 / 100.00	HILTON INT 4.75 15/8/1988 S	69	7.00	8.93	102.35	30 / 1980	DP1978	$U 758.11 / 1/1/1969
30 / 20.0	1972 / 100.00	MOHASCO INT 5.00 15/6/1987	56 1/2 / 10	8.85 / 9.00	15.28 / 9.00	102	30 / 1980	174.03	$U 48 1/2 / 15/3/1973
25 / 15.0	1965 / 100.00	MONSANTO INT 4.50 15/10/1985 S	87 1/2 / 49 1/4	5.21 / 6.90	7.47 / 5.00	100	30 / 1980	52.79 / 1976	$U 86 / 1/5/1966
50 / 50.0	1972 / 100.00	J.P. MORGAN O/S CAP 4.25 15/6/1987	80 1/2 / 42 7/8	5.28 / 6.53	7.86 / 6.00	102	30 / 1980	-1.90	$U 52 1/8 / 15/6/1973
30 / 6.9	1966 / 100.00	MOTOROLA INT 4.50 1/7/1983	136 1/2 / 56 1/4	3.35 / 2.49	11.00	* / 100 1/2	30 / 1980	-9.11	$U 38.483 / 1/2/1969
50 / 25.4	1968 / 100.00	NABISCO INT FIN 5.25 1/3/1988	91 1/8 / 28 1/4	5.76 / 8.00	6.72 / 7.00	101 3/4	30 / 1980	19.63 / DP1979	$U 25 1/4 / 15/9/1968
7 / 1.0	1967 / 100.00	NATIONAL CAN O/S 5.375 1/12/1987 S	118 / 22 1/4	4.61 / 3.96	2.80 / 5.00	* / 102 7/8	90C / 1980	-.83	$U 18.7 / 1/6/1969
26 / 6.9	1965 / 100.00	NORELCO O/S 4.75 15/12/1983 S	76 / 29 7/8	6.35 / 4.69	13.37 / 8.00	100 3/4	30 / 1980	24.65	$U 48 / 15/12/1969
25 / 16.0	1972 / 100.00	OWENS-ILLINOIS INC 4.50 1/7/1987	100 1/2 / 27 3/4	4.48 / 4.32	4.42 / 8.00	102	30 / 1980	-1.75	$U 27.13 / 1/2/1973
30 / 27.0	1968 / 100.00	PAN AMERICAN O/S 5.25 1/9/1988	65 / 5 1/8	8.08	12.41 / 5.00	102 1/4	30 / 1980	102.35 / DP1978	$U 15.97 / 1/5/1969
25 / 12.0	1969 / 100.00	J.C. PENNEY EUROPE 4.00 1/12/1989	67 / 31 7/8	5.96 / 8.05	11.88 / 4.00	102 1/2	30 / 1980	66.93	$U 54 1/2 / 1/7/1970
35 / 35.0	1972 / 100.00	J.C. PENNEY INT FIN 4.50 1/8/1987	66 / 31 7/8	7.03 / 8.05	12.11 / 4.00	102	30 / 1980	145.76	$U 84 / 1/8/1973
10 / 7.7	1969 / 100.00	PLANNING RESEARCH INT 4.50 15/12/1984	76 / 7 3/8	8.53	11.62 / 10.00	102 5/8	30 / 1980	DP1977	$U 50 / 15/7/1970
8 / 5.0	1968 / 100.00	PLYWOOD-CHAMPION INT 5.25 15/2/1988	91 / 23 7/8	5.77 / 5.86	8.83 / 3.00	100	50 / 1980	3.96 / 1979	$U 26 3/4 / 1/2/1969
10 / 7.0	1971 / 100.00	RAMADA CAP 6.15 15/11/1986	72 1/8 / 7 1/2	8.67 / 1.00	12.64 / 13.00	101 3/4	30 / 1980	49.73 / DP1980	$U 15.57 / 15/7/1972
50 / 47.2	1968 / 100.00	RCA INT. 5.00 1/3/1988	67 / 23 7/8	7.46 / 6.70	11.58 / 6.00	101 3/4	30 / 1980	51.35 / DP1979	$U 15 / 1/5/1969
26 / 21.2	1968 / 100.00	REVLON INT FIN 4.75 15/6/1983 S	111 5/8 / 38 7/8	4.30 / 4.02	1.15 / 8.00	* / 101	30 / 1980	-2.37	$U 34 / 1/1/1969
50 / 38.0	1972 / 100.00	REVLON 4.75 15/4/1987	95 1/8 / 38 7/8	4.86 / 4.01	5.07 / 8.00	103	30 / 1980	.93	$U 50 3/4 / 1/1/1973
50 / 50.0	1968 / 100.00	REYNOLDS METALS CAP 5.00 1/6/1988 S	87 3/4 / 37	5.78 / 5.95	7.10 / 4.00	101	30 / 1980	6.15 / DP1979	$U 46.76 / 31/3/1969
13 / 12.5	1972 / 100.00	SAXON INDUSTRIES 5.75 31/12/1987 S	68 5/8 / 6 1/8	9.24	13.96 / 8.00	104 1/2	30 / 1980	53.82 / 1981	$U 15 / 30/4/1973
15 / 14.3	1969 / 100.00	SCM OVERSEAS CAP.CORP. 5.25 1/3/1989	69 / 25 5/8	7.61 / 5.07	10.60 / 3.00	101 1/4	30 / 1980	22.09 / DP1979	$U 45.34 / 1/1/1970
15 / 15.0	1968 / 100.00	SEARLE INT 4.75 15/3/1988	113 / 22 1/2	4.20 / 2.31	2.96 / 14.00	* / 102	30 / 1980	-7.93 / 1983	$U 18.333 / 1/1/1969
30 / 30.0	1972 / 100.00	SOUTHLAND 5.00 15/7/1987	74 5/8 / 22 1/2	6.70 / 5.73	10.02 / 6.00	102 1/2	50 / 1980	16.73	$U 35.2 / 1/2/1973
15 / 15.0	1979* / 100.00	SPECTRA-PHYSICS INT 8.00 15/12/1994 S	106 / 40 3/4	7.69	7.46 / 21.00	108	30 / 1980	11.20	$U 42 3/4 / 19/3/1980
60 / 60.0	1973 / 100.00	SPERRY RAND 4.25 15/2/1988	103 1/2 / 56 1/2	4.11 / 2.86	3.73 / 8.00	* / 101	30 / 1980	-2.20	$U 51 1/2 / 15/3/1974
50 / 50.0	1972 / 100.00	SQUIBB INT FIN 4.25 15/6/1987	76 1/8 / 33 1/4	5.58 / 3.43	8.82 / 11.00	101 1/2	30 / 1980	30.30	$U 57 / 15/3/1973
75 / 75.0	1968 / 100.00	TEXACO OPERATIONS-EUROPE 4.50 1/7/1988 S	91 1/8 / 40 5/8	5.00 / 5.91	5.95 / 6.00	101	30 / 1980	-.74	$U 44 1/8 / 15/4/1969
25 / 25.0	1978 / 100.00	TEXAS INT AIRLINES 7.50 15/6/1993	70 3/4 / 9 5/8	10.60 / 1.66	11.56 / 2.00	105 1/2	30 / 1980	6.58	$U 16 1/2 / 15/12/1978
7 / 5.4	1969 / 100.00	THERMO ELECTRON INT 7.00 1/7/1984	90 1/2 / 29 5/8	7.73	9.77	103 1/2	30 / 1980	38.14 / DP1977	$U 45.22 / 15/1/1970
10 / 10.0	1968 / 100.00	TRW INT 5.00 1/2/1988	94 1/2 / 44 1/2	5.29 / 4.49	5.69 / 7.00	101 3/4	30 / 1980	11.49 / 1978	$U 52 1/2 / 1/2/1969
25 / 15.2	1969 / 100.00	TYCO INT FIN 5.00 1/3/1984 S	75 1/8 / 32	8.77 / 3.13	13.63 / 8.00	101	30 / 1980	44.38	$U 61 1/2 / 1/11/1969
7 / 7.2	1978 / 75.50	TYCO INT FIN — 2ND ISSUE 5.00 1/3/1984 S	78 / 32	8.51 / 3.13	12.46 / 8.00	101	30 / 1980	49.91	$U 61 1/2 / 3/5/1978
25 / 25.0	1978 / 100.00	TYCO INT FIN 8.50 15/6/1988	145 / 32	5.86 / 3.13	2.44 / 8.00	* / 105	30 / 1980	-4.84	$U 21 / 15/9/1978
50 / 38.5	1967 / 100.00	UNION CARBIDE INT 4.75 1/7/1982 S	88 1/2 / 40 5/8	5.44 / 7.38	10.68 / 5.00	100	30 / 1980	23.00	$U 56 1/2 / 1/5/1968
30 / 30.0	1969 / 100.00	WALTER KIDDE FIN 5.00 1/2/1989	70 3/8 / 25 7/8	6.38 / 5.02	8.56 / 5.00	102	30 / 1980	37.94 / DP1980	$U 63.14 / 1/9/1969
15 / 15.0	1968 / 100.00	WARD FOODS O/S 5.75 1/11/1988	59 7/8 / 6 7/8	9.60 / 26.18	14.01	102 3/4	30 / 1980	DP1979	$U 47.89 / 1/6/1969
15 / 1.2	1966 / 100.00	WARNER-LAMBERT 4.25 1/3/1981 S	88 3/8 / 19 1/2	4.87 / 6.77	16.09 / 13.00	100	30 / 1980	4.24	$U 23 / 1/6/1967
30 / 30.0	1971 / 100.00	WARNER-LAMBERT 4.25 1/4/1988	64 5/8 / 19 1/2	6.58 / 6.77	11.10 / 13.00	103	30 / 1980	105.82	$U 61 1/2 / 1/4/1976
40 / 40.0	1972 / 100.00	WARNER-LAMBERT 4.50 1/4/1987	65 3/4 / 19 1/2	6.84 / 6.77	11.92 / 13.00	102	50 / 1980	61.85	$U 48 / 1/4/1978
20 / 7.5	1968 / 100.00	WARNER-LAMBERT 4.50 1/8/1988 S	79 / 19 1/2	5.78 / 6.77	8.13 / 13.00	102	50 / 1980	37.49	$U 19 / 1/5/1969
75 / 73.0	1973 / 100.00	XEROX CORPORATION 5.00 1/12/1988	68 / 60 7/8	7.35 / 4.60	19.83 / 9.00	101 1/2	38 / 1980	65.32	$U 168 / 1/1/1975

AIBD PUBLICATION DATES 1980

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It will be published in an eight-page format on the following dates in the remainder of 1980.

Tuesday	11th March
Monday	14th April
Wednesday	14th May
Wednesday	11th June
Monday	14th July
Tuesday	12th August
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SOCIETE GENERAL De BANQUE

BANQUE GENERALE Du LUXEMBOURG

Fund 29/2/80	Price	First Issue Price	Yield %	Div. Date	1/3/79 High	28/2/80 Low	1/3/77 High	28/2/80 Low
Rentinvest	LuxFr 755	LuxFr 1000	8.86	20/11/79 (F65)	LuxFr 860	LuxFr 752	LuxFr 918	LuxFr 752
Capital Rentinvest	LuxFr 1343	LuxFr 1000	(Capitalisation)		LuxFr 1430	LuxFr 1343	LuxFr 1430	LuxFr 1186

WestLB Euro-Deutschmarkbond Quotations (Continued)

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
8% South-Afr. Oil Fund 79/83 PP (G)	96.50	8.29	3.67	9.14	1.11.83
7¾% South-Afr. Oil Fund 79/84 PP (G)	93.50	8.29	4.00	9.79	1. 3.84
7½% South-Afr. Railway 73/88 (G)	89.00	8.43	8.25	9.47	1. 6.79—88S
9¼% South-Afr. 75/80 PP (G)	99.50	9.30	0.25	11.00	due 1. 8.78—80D
9¼% South-Afr. Railway 75/80 (G)	99.60	9.27	0.33	9.59	1. 7.80
8¼% South-Afr. Railway 77/80 PP (G)	98.00	8.42	0.42	13.17	1. 8.79—80D
8% South-Afr. Railway 78/81 PP (G)	96.50	8.29	0.84	12.58	2. 1.81
7¾% South-Afr. Railway 78/82 PP (G)	95.00	8.18	2.17	10.42	1. 5.82
8% South-Afr. Railway 78/83 I PP (G)	92.00	8.70	3.33	10.36	1. 7.83
8% South-Afr. Railway 78/83 II PP (G)	92.00	8.70	3.50	10.83	1. 9.83
7¾% South-Afr. Railway 79/83 PP (G)	95.50	8.12	3.76	9.20	1.12.83
7% South Scotl. El. 73/88 (G)	91.25	7.67	7.92	8.50	1. 2.79—88S
6¾% Spain 77/84	89.10	7.58	4.42	9.89	1. 8.84
6% Spain 78/88	81.75	7.34	8.17	9.28	1. 5.88
6% Sparbank Oslo 79/90 PP	84.50	7.10	5.32	9.87	16. 5.81—90D
7¾% Standard Imp. & Exp. 78/82 PP	95.50	8.12	2.42	8.89	1. 8.82
6½% Stand. Chart. Bank 78/88	80.50	8.07	7.83	10.23	1. 1.88
6% Statoil 78/88 (G)	81.75	7.34	8.50	9.17	1. 9.84—88S
6½% Statoil 79/89 (G)	84.00	7.74	8.00	9.19	1. 3.86—89S
7% Statsfoeretag 77/85	91.50	7.65	5.00	9.20	1. 3.82—85D
10% Steiermark 74/80 PP	100.00	10.00	0.58	9.79	1.10.80
8¾% Stockholm County 75/87	87.50	8.97	3.90	8.54	1. 4.79—87D
8½% Sumitomo Metal 75/82	99.50	8.54	2.33	8.71	1. 7.82
7½% Sun Oil Int. Fin. 73/88	96.50	7.77	8.42	8.08	1. 8.79—88S
7¼% Svenska Cell 73/88	93.76	7.73	7.92	8.36	1. 2.79—88S
9% Svenska Taendst. 75/85	102.00	8.82	2.39	8.04	1. 3.80—85S
6¾% Sveriges Inv. Bk. 72/87	93.50	7.22	7.00	8.00	1. 3.78—87S
7% Sveriges Inv. Bk. 73/89	92.50	7.57	8.00	8.32	1. 3.79—88S
8½% Sveriges Inv. Bank. 75/83	98.50	8.83	3.25	8.03	1. 6.80—83S
6½% Sweden 77/84	81.00	7.14	4.17	9.18	1. 5.84
6% Sweden 77/89	81.25	7.38	8.75	8.96	1.12.83—89S
7¾% Sweden 79/89	92.00	8.42	8.33	9.04	1. 7.89
7½% Sweden 78/89 PP	90.00	8.33	9.42	8.11	1. 8.89
9½% Taisei Corp. 75/80 PP	100.00	9.50	0.04	9.08	due 16. 3.80
9½% Tauernautobahn 74/81 (G)	100.00	9.50	1.33	9.42	1. 7.81
9% Tauernautobahn 75/82 PP (G)	99.75	9.02	2.00	8.14	1. 3.82
9% Tauernautobahn 75/83 PP (G)	99.00	9.09	3.00	9.40	1. 3.83
5½% Tauernautobahn 79/93 (G)	75.00	7.24	13.08	8.83	1. 4.84—93S
7% Tauernkraftwerke 68/83 (G)	97.50	7.18	1.89	8.63	1. 2.74—83D
6½% Tauernkraftwerke 68/83 (G)	87.50	6.87	3.50	7.49	1. 9.74—83S
8% Tenpfinco 73/93	83.00	9.60	13.87	8.90	1.11.82—93S
9½% Tenpfinco 75/82 PP	99.50	8.55	2.00	9.78	1. 3.82
6¾% Thailand 78/83 PP	81.50	6.83	3.08	8.55	1. 4.83
6½% Thyssen Car. Fin. 75/82 PP	99.00	8.67	2.08	8.59	1. 4.82
8¼% Thyssen Car. Fin. 75/82 PP	97.80	8.46	2.33	8.45	1. 7.82
6½% Thyssen Inv. 66/81	99.00	6.57	1.00	7.58	1. 3.72—81D
7¼% Tokyo El. Power 69/84	95.75	7.57	2.86	9.28	1.12.75—84D
6½% Tokyo El. Power 79/85	89.25	7.28	5.17	8.20	1. 5.85
5½% Toray Ind. 75/90 PP	87.50	6.29	3.59	9.78	due 10. 2.80
5½% Toyo Rubber 78/83 PP	93.00	6.99	7.58	7.74	1.10.83
6½% Traf. Houses Fin. 72/87	89.50	6.70	3.08	10.12	1.10.78—87S
6% Trinidad & Tobago 78/83	96.00	7.03	3.75	8.16	1. 4.83
6¾% Trondheim 68/83	81.50	7.06	7.05	8.48	1.12.72—83S
5¾% Trondheim 78/88	95.50	7.86	4.58	8.90	1. 4.86—88D
7½% T R W Int. Fin. 69/84	82.50	7.27	7.92	9.21	1.10.75—84S
8% T V O Power 78/88 (G)	88.75	6.48	3.50	8.67	1. 2.84—88S
6¾% UDS Group 78/83	100.50	9.70	1.75	9.37	1. 8.83
9¾% Unilever 74/81 PP	100.25	8.48	4.49	8.42	1.12.81
8½% Unilever 75/87	85.50	7.60	8.79	8.94	1. 5.81—87S
6½% Union Bank Finland 79/88	88.50	6.65	4.42	8.83	16.12.84—88S
5¾% Uniroyal 78/84 PP	92.50	7.30	2.16	10.79	1. 8.84
6¾% Unit. Arab. Emirats 77/82 PP	97.75	7.18	3.58	7.88	30. 4.82
7% Venezuela 68/83	81.75	7.34	8.00	8.34	1.10.74—83S
8% Venezuela 78/88	81.75	7.95	10.67	9.25	1. 3.84—88S
6½% Venezuela 78/90	95.75	7.31	3.25	8.70	1.11.85—90S
7% Vienna 68/83	99.00	8.33	2.33	8.70	1. 6.74—83S
8¼% Vienna 75/84	87.25	8.59	4.79	9.14	1. 8.78—84D
5¾% Vienna 77/84 PP	96.50	8.81	8.58	9.06	15.12.84
8½% Voest-Alpine 73/88	96.75	8.79	3.16	8.72	1.10.79—88S
8½% Voest-Alpine 75/85	88.25	7.65	6.62	9.18	1. 6.81—85D
6¾% Voest-Alpine 77/89	89.35	7.27	8.67	8.28	1. 8.84—89D
6½% Wells-Fargo ex w. 73/88	96.00	5.73	5.08	6.54	1.11.79—88S
5½% Worldbank 65/85	99.20	6.55	0.42	8.37	1. 4.71—85S
6½% Worldbank 66/80	94.00	8.91	2.28	9.53	1. 8.80
6½% Worldbank 68/84 PP	95.65	6.90	2.18	8.93	2. 1.77—84D
6½% Worldbank 69/84	94.00	6.91	2.28	9.53	1. 6.75—84D
6½% Worldbank 69/84 PP	92.50	8.49	2.53	9.47	2. 1.77—84D
6% Worldbank 69/84 PP	99.85	8.51	0.42	9.04	1. 4.77—84D
8½% Worldbank 70/80	88.15	8.15	3.21	8.67	1. 8.80
8% Worldbank 70/86	96.00	7.81	3.08	9.02	1. 1.77—86D
7½% Worldbank 71/86 I	95.40	7.86	3.55	9.04	1. 6.77—86D
7½% Worldbank 71/86 II	95.15	6.83	2.33	8.86	1.12.77—86D
6½% Worldbank 72/82	92.00	7.34	3.26	8.73	1. 7.82
6¾% Worldbank 72/87	93.50	7.22	2.92	9.39	1. 3.78—87D
6¾% Worldbank 73/83	80.00	7.08	4.44	9.21	1. 2.83
6¾% Worldbank 73/88	97.25	8.48	2.25	8.83	1. 5.79—88D
8¾% Worldbank 75/82 PP	99.00	8.08	2.75	8.40	1. 6.82
8% Worldbank 75/82	99.90	8.26	3.33	8.26	1.12.82
8¼% Worldbank 75/83	97.00	8.25	2.42	8.40	1. 7.83
8% Worldbank 76/82 PP	95.00	8.16	2.58	10.00	1. 8.82
7¾% Worldbank 76/82 PP	96.00	7.81	3.17	8.99	1.10.82
7½% Worldbank 76/83	95.75	8.09	3.58	8.17	1. 5.83
7¾% Worldbank 76/83	90.00	7.50	3.75	10.06	1.10.83
6¾% Worldbank 76/83 PP	98.00	8.16	3.92	8.62	1.12.83
8% Worldbank 76/84	89.00	6.18	2.54	10.64	1. 2.84
5½% Worldbank 77/82 PP	92.50	7.57	5.80	8.92	15. 8.82
7% Worldbank 77/85 PP	87.00	7.47	5.17	8.82	1. 3.85
6½% Worldbank 77/85 PP	86.25	6.96	5.54	9.27	1. 5.85
8% Worldbank 77/85	89.75	7.80	6.83	9.07	15. 9.85
7% Worldbank 77/87	86.00	7.56	7.17	8.25	1. 1.87
6½% Worldbank 77/87	87.10	6.60	4.42	9.44	1. 5.87
5¾% Worldbank 78/84	80.35	7.47	8.42	9.48	1. 8.84
8% Worldbank 78/88	81.75	7.65	8.75	9.39	1. 8.88
6¼% Worldbank 78/88	78.50	7.32	8.36	8.60	1.12.88
8¾% Worldbank 79/90	98.00	7.14	5.72	7.45	1. 2.87—90D
7% Worldbank 79/85 PP	88.75	8.03	7.42	9.27	1. 8.85
7½% Worldbank 79/87 PP	89.25	8.68	11.33	8.31	1. 8.87
7¾% Worldbank 79/91	92.10	8.55	9.83	9.12	1. 7.91
7½% Worldbank 80/90	93.50	6.42	9.83	8.89	1. 1.90
7½% Worldbank 80/90 II PP	98.50	6.85	3.50	7.37	1. 1.90
6½% Yokohama 68/83 (G)	99.00	7.14	4.58	7.66	1. 9.72—83S
7% Yokohama 69/84 (G)	88.75	8.10	6.42	8.24	30. 8.73—84S
8% Yokohama 71/86 (G)	88.50	8.88	0.33	13.24	1. 8.77—86S
8¾% Yoshida Kogyo 75/80 PP	92.50	8.65	4.79	10.03	1. 7.80
9% Yugosl. Inv. Bank 77/84 PP					15.12.79—84S

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Britain's defence dilemma

BRITAIN'S nuclear deterrent poses two questions: do we need it, and can we afford it? For the past 15 years the first question has not been a serious political issue, because the answer to the second has been a resounding "Yes." The four nuclear submarines with their 64 Polaris missiles cost very little to *run* and take up hardly more than 1 per cent of the total defence budget. To be sure, the Labour Party engages in anti-defence rituals, but in practice no Government of either complexion has seriously attempted to open the debate on the question of principle.

This happy consensus may not last very much longer. The Government has announced that it intends to acquire a new-generation strike force against the day, in the early 1990s, when the Polaris system reaches the end of its useful life. Mr. Francis Pym, the Defence Secretary, has done his best to be reassuring about the costs of the new system, but it is clear that, during the period of acquisition, they will be substantially greater than the 1 per cent of the defence budget to which we have grown accustomed.

Some people think that he has *been altogether too reassuring;* others that, even without the problem of a new strategic strike force, Britain is liable to face, in the next few years, severe strains on its defence budget, which could put in question a large chunk of Britain's conventional defence capability. Indeed, there are serious people who are ventilating the idea that Britain may have to consider *sharp reductions either in the* Rhine Army or in the navy.

But it is the nuclear deterrent which raises the most pressing problem, *since* a decision on the new generation needs to be taken this year. When Mr. Pym announced the Government's general intentions on January 24, in the first nuclear weapons debate to be held in the House of Commons for 15 years, many MPs assumed that the Government had in practice decided to buy the *Trident* submarine system, which is now entering service in the U.S.

Mr. Pym did not mention the Trident; he even *remained* impenetrably vague as to whether the new system would be submarine-launched or, if so, whether it would be a ballistic missile. The only points on which he approached precision were those of cost and timing.

The new system would cost, he said £4bn-£5bn, spread over 10-15 years, and it would come into operation in the *early 1990s*. The investment expense would reach a peak in the late 1980s, but even then would not exceed 5 per cent of the defence budget.

Implausible

Unfortunately, not all these figures look entirely plausible. If the new system is to be operational by the early 1990s—say by 1993—the costs cannot be spread over more than 12 years. If the Government has set its heart on Trident, then there are doubts in the minds of some independent experts whether it can be purchased for less than £6bn in today's money.

If this cost were spread exactly evenly throughout the 12-year period, then the average would be roughly five times the current running cost of the Polaris system. Some academic specialists believe that the peak investment costs could reach £700m-£800m around the turn of the decade. This would represent something like 8-9 per cent of the present defence budget.

At first blush, therefore, it *would seem* either that the Government is envisaging significantly larger peak investment costs in the new system than it *is prepared to admit:* or that the total defence budget will be substantially larger in real terms than it is now, in order to bring the investment costs below the 5 per cent ceiling; or that the Government may have to settle for a system much cheaper than the Trident.

It is easy to see why the Government might be coy about the probable cost profile of Trident, since the peak expenses could conceivably only start *appearing in the accounts after* the next election but one. It is also possible that Mrs. Thatcher sincerely believes that there should be a steady increase in the real size of the defence budget. Indeed, she has endorsed the commitment, urged on NATO by *President* Carter, to a 3 per cent increase in real terms this year.

But can we expect a real increase in defence *spending* for most of the rest of the decade, so as to accommodate the investment in a successor to Polaris? *Considering* that Mrs. Thatcher is committed to reductions in public expenditure generally, this seems inherently *improbable, because it implies* even fiercer cuts in non-defence spending, precisely during a period when low growth and high unemployment will increase the demand for welfare payments.

A steady increase in defence spending would also represent a sharp reversal of the historic pattern since World War II. As the graph shows, defence spending has in practice remained remarkably constant during the past decade, though this plateau is considerably lower than in the post-war years. What the *graph does not show, however,* is that even the periods of constancy have been against the background of regular defence reviews, in the mid-1950s, the mid-1960s and the mid-1970s, each of which has involved a reduction of defence capabilities or commitments on the ground.

One reason is that the *real* "real" costs of defence, both in wages and in weapons brought *up to date, tend to rise faster than inflation.* The consequences of this underlying tension between an apparently stable defence budget and a decline in the amount of defence we get for the money is that, unless there is an explicit decision to allocate a larger share of the GNP to this area, we may face the prospect of another defence review in the mid-1980s.

This, at least, is the thesis of David Greenwood, of the Aberdeen *University* Centre for Defence Studies, who has argued that, since Britain has given up virtually all its non-European *commitments*, the choice this time will be between cheese-paring all round and a much more radical reappraisal of the attempt to maintain a balanced triad of forces—army, navy and air force. Cheese-paring all round he regards as unsatisfac*tory all round, especially if it* is conducted in the usual panic. He therefore urges a systematic long-term look at the structure of Britain's defence.

He is not alone. Sir Arthur Hockaday, Second Permanent Under-secretary at the Defence *Ministry*, has echoed *precisely* the same anxieties and has come to remarkably similar conclusions. In an article in the December issue of the Royal United Services Institute journal he says: "I would deplore most strongly any suggestion of a reduction in our contribution towards either NATO's Continental or its maritime strategy, but I think one is bound to envisage the possibility that the inexorable pressure of economic forces may at some time bring us hard up against choices of priority between them." Coming from a Defence Ministry official, that is pretty strong stuff.

It goes without saying that any such choice would produce uproar in NATO, since it would imply either that British cutbacks would have to be made good by others, or that NATO would in turn have to reappraise its own balanced defence structure.

The trouble is that, while British defence spending as a *proportion of GNP is significantly* larger than that of most other NATO countries apart from the U.S., it is smaller in absolute terms than that of Germany (or France, for that matter), because British GNP is so much smaller. In other words, another defence review would call into question Britain's ability to deploy a defence capability consonant with its political pretensions.

Above all, it must raise a *question about* the rationale for maintaining an independent British deterrent, since the investment costs of a new system are bound to compete with the three conventional arms for scarce resources. *If* one leaves out support costs, R & D, training and *so* on, one can say very roughly that each of these arms gets something over £1bn a year. If it *is* true that Trident investment *costs could* peak at £700m-£800m, one gets some idea of the intensity of this pressure.

Now the curious thing about *the British deterrent is that it* has never been given an articulate and properly elaborated rationale by any government. *Even though* the *debate* in January was the first on British nuclear weapons policy for 15 years, it did nothing to advance matters. One reason, of course is that nuclear weapons are treated with much greater secrecy in Britain than in the U.S. MPs are almost totally deprived of meaningful information either about the technicalities or about policy, and appear to have given up hope of getting sensible answers even to the simplest questions.

Uncertainties

But it is not absolutely clear that the Government knows what the deterrent is for. Mr. Pym's speech in January—a tantalising cocktail of the delphic and the merely confusing—seemed to rest primarily on the assertion that the value of the Polaris system lay in Russian uncertainty about its possible use. He may be right, but Russian uncertainty could not be *greater than* that *of the MPs* who took part in the debate.

This is not to undervalue the uncertainty argument, since all deterrence rests on an element of uncertainty. There are growing doubts whether the U.S. could be counted on in practice to participate in a strategic nuclear exchange in the defence of western Europe. But since the Russians cannot be certain of that, they may be deterred from taking the risk.

And the more the Europeans doubt the reliability of American willingness to risk massive destruction in the U.S., the more value they may place on the British and French nuclear capabilities. Certainly, Colonel Jonathan Alford, of the International Institute for Strategic Studies, has strongly argued in a recent Adelphi Paper that Britain should maintain its deterrent.

What is not clear is whether it is a national or an alliance deterrent. In theory it is both, but this is a logical contradiction if one thinks of it, not as a deterrent, but as a weapon which might have to be used if deterrence failed. An alliance weapon would be used for alliance purposes; a national weapon would be held back *until the latest possible moment,* in a last-ditch defence of national security. The targeting in the two cases might be quite different.

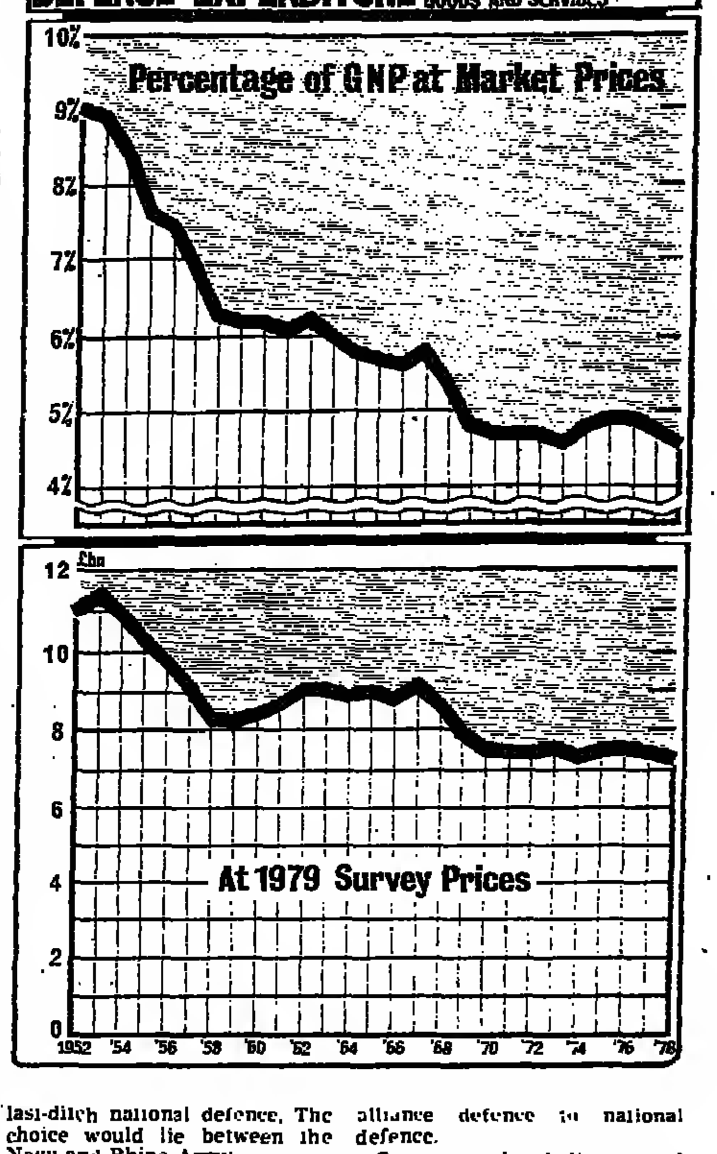
But even if one ascribes the maximum value to the British nuclear strike force, this value must still be weighted against the value of the various parts of the conventional triad. *In* particular, the defence authorities have to consider not merely *what forces would be available* in the period leading up to a nuclear exchange, but also those that would be required thereafter. It would be rash to assume that a nuclear exchange would necessarily be the end of the war.

It may be argued, as Colonel Alford has done, that Britain can maintain a deterrent without going in for anything as expensive as the Trident system. But this would not dispose of Sir Arthur Hockaday's preoccupations with the budgetary pressures on the conventional triad. The unstated assumption in his article is that, if cuts did have to be made, they could not fall on the air force, presumably because it really does provide last-ditch national defence. The choice would lie between the Navy and Rhine Army.

At its crudest, one might say that this represents the choice between the prevention of war and national survival after war has broken out. In weighing the implications, much would depend, first, on whether Rhine Army represents more than a marginal contribution to the ground forces in central Europe; second, on whether such a gap would be the *easiest* to fill (for example by the Germans); and third, whether cutting Rhine Army would be seen in NATO as a quantum shift from alliance defence to national defence.

Some people believe, and many hope, that the Defence White Paper later this month will be a good deal more explicit on some of the fundamental issues of British defence policy than most of its predecessors. What seems uncontrovertible is that a series of hard decisions lie ahead. It would be helpful if the Government could do more than pay lip *service* to the notion of democratic accountability.

Ian Davidson



Letters to the Editor

Market needs and engineers

From the General Editor, Design Studies

Sir,—If there is a shortage of professional engineers, or a shortage of particular skills in engineering then, as Mr. Hemming (March 7) suggests, something should be done in the short term rather than wait for the proposed British engineering authority machine to materialise and move.

The market should be giving strong signals about shortages *in general, even for engineers.* For these, unless there are attractive salaries and prospects now, few entrants will offer themselves. The market is not very good, however, at giving signals which relate to five years ahead, which is when fresh entrants this year to the higher education sector will be able to make their impact.

Another way in which the market seems to be a poor indicator is in reflecting critical shortages in specific parts of any sector of professional engineering. Mr. Hemming gives possible examples by citing health and safety and product liability legislation. I am not sure that these are, in fact, critical areas. The difficulty lies in the absence of satisfactory information on the matter.

What is needed—for the short term preferably—is a sample survey of industry to identify in fairly precise terms what are the specific shortages as revealed in actual "critical" situations. Suppose, for argument, that a company found that after a massive tendering effort it lost because of a shortage of control design skills. This would be a need revealed by a critical incident. In another case it might be that the company *sustained a loss* after launching a new product because of inability to foresee changes in technology. In a more positive sense it might be that the company found that it was able to modify a tender and gain a valuable contract through introducing a new and speedier estimating technique which enabled a value analysis team to probe more deeply into cost savings. This would constitute a shortage overcome by the company concerned but likely to be existing still elsewhere. Again, it might be that a company, in a forward design study, had appreciated a critical need for better project evaluation skills and saw this as something to build up.

Critical needs analysis, from past experience and looking at the future, is a much sounder way of identifying what should be done than using job descriptions. It is even better compared with the use of received wisdom or board-level beliefs. It should come from those who are intimately connected with professional engineering practice within a company and who understand the significance of the many aspects of engineering.

Such a survey would give extremely valuable information regarding directions in which short-term change might be pursued. It would not, however, say much about how to cope educationally. Indeed, without answers about critical needs, it is not easy to make educational plans.

In the face of uncertainty alone there is merit in Mr. Hemming's suggestion of a modular approach. But there are other advantages. Not only should modularity make it possible to cope with a spread of different industrial requirements but also permit an approach to the ideal of a training pattern tailored to the career development of each professional engineer. Already some support is being given to the promotion of regional centres for part-*time* study at master's level. There might be some aspects of such courses which would fit aspirations expressed by Mr. *Hemming*. This rather depends upon what a survey of critical needs reveals.

Universities have for some time been discussing their future. The advent of Finniston has superimposed another layer of discussion, particularly in the engineering faculties. This is largely about their existing modes of work and how these will be affected. They should be considering further questions. What about modularity for updating? What about correspondence courses and other modes of study at *a distance?* Much more should be known about market needs.

S. A. Gregory.
22 Crescent Road,
Stafford.

Monitoring the public sector

From Mr. S. Tietz

Sir,—Your leader of March 6—Monitoring the public sector—highlights one aspect of a wider problem. It is surprisingly difficult to gauge the effectiveness of the public sector, be it central government, local authorities, public utilities or nationalised industries. Information on levels of staffing and the way these relate to the work load seems impossible to get. For example we know that road design and construction have greatly reduced in the last five years as has the work of the Public Services Agency but one cannot get figures on such bodies' staffing levels, the fee equivalent of designs being started, being completed or other *facts* which would establish how such departments compare in cost effectiveness with their privately owned equivalent. This same problem applies in local government. Here too work load has significantly decreased but the *figures* that would relate staff costs to the work being done are simply not available. This applies even in areas such as design of buildings, where costs should be easily measurable, just as they are if private architects are employed.

It has been suggested that the Local Government Bill now going through the House of Commons could demand that the *information* required to identify such costs should be made public for design costs, just as it is to be for direct labour *contracts* where local authorities build for themselves. In-house design is after all only another form of direct labour. *So far this suggestion* has not been taken up, and any anomalies that may exist can presumably continue undetected.

It is interesting that the salary survey just published by the Institution of Civil Engineers shows that the rise in salaries within central government was 27 per cent for chartered engineers within the last twelve months compared to around 17 per cent for the private sector, i.e. contractors and consultants. Median salaries in central government are over £1,000 above the mean for chartered engineers as a whole. In a free economy this would suggest a pressing need to attract more staff, surely not a need compatible with the declared intentions of the government. The absence of *hard facts* can only lead to a suspicion that those in charge of public departments wish to hide something, surely not their intention.

It is however strange that we can get many more facts about those who spend their own money than those who spend ours and some correction of this seems overdue.

Stefan B. Tietz
10-14 Macklin Street, WC2

Civil Service pensions

From the Secretary General, Civil Service National Whitley Council Staff Side

Sir,—Last Wednesday you reported that Mr. Jock Bruce-Gardyne, MP, had written to the *Minister of State in* the Civil Service Department seeking an assurance that the adjustment to civil service pay rates to take account of pension costs is not acceptable to the Government. The Minister of State will have no difficulty in denying that civil service pay rates are only adjusted by 3.8 per cent. In fact the Minister told the House of Commons in November last year, in answer to a question from Mr. Bruce-Gardyne that civil servants pay an average 7 per cent for their pensions.

The increase in the deduction which the Government Actuary is now proposing will bring the average contribution *to 8.5 per cent,* and will mean that civil servants will themselves pay 57 per cent of the cost of civil service pensions for this year.

Perhaps Mr. Bruce-Gardyne would ask the Minister of State why it is that Members of Parliament are not being asked to pay more than 6 per cent for their inflation-proofed pensions which are based on a higher accrual rate than civil service pensions?

Inflation-proofed pensions can be had for money. One per cent of private schemes surveyed by the National Association of Pension Funds, as you reported on the same day, do guarantee inflation-proofing; over 40 per cent give automatic increases and 47 per cent, presumably for love, give ad hoc increases. Thanks to critics like Mr. Bruce-Gardyne civil servants now pay a larger contribution for their pensions than any other public sector workers.

How it can be said that civil servants do not contribute for their pensions when pay rates are reduced before settlement to take account of pensions costs, I do not know. It would certainly be better for civil servants to have a post-settlement contributory scheme like Mr. Bruce-Gardyne's Parliamentary scheme with only a 6 per cent post-settlement contribution.

According to the Secretary of State for Social Services, 64 per cent of occupational pension schemes in payment are inflation-proofed, and civil service pensioners represent a seventh of this total.

Mr. Bruce-Gardyne would be better advised asking the private pensions industry how it is that with all the tax privileges it receives, it is still unable to provide good pensions, and why it is that in other countries, like France, the private sector can not only provide good pensions but can link increases to earnings?

W. L. Kendall.
19, Rochester Row, SW1.

Non-executive directors

From Mr. J. Barnwell.

Sir,—As an ex-deputy chairman of an not-unimportant international company I would like to comment on Geoffrey Owen's article (February 19) on "The pros and cons of non-executive directors."

His article included the following comment "There is a lot to be said for the old-fashioned view that the main task of the board is to hire and fire the management. If the non-executive directors do nothing more than ensure that when the chief executive retires the right man is chosen to replace him, they will have done a great deal." In my opinion if the words "long held" are substituted for "old-fashioned," then this comment *is right* on target.

The executive directors of a company are the management, or at any rate the senior management, and therefore shareholders cannot always rely on them to take an objective view of the state of management of the company. They should, but do they? Always? Sadly the answer is no.

Such a gap in a company's defences can only be filled by non-executive directors.

It would be difficult, perhaps inappropriate by legislation to place this and other particular *responsibilities* on the shoulders of the non-executive directors, or even to require their appointment. A Stock Exchange regulation might be more appropriate.

It would be pointless to create a separate class of directors without giving them particular duties and responsibilities, and it is this point which seems to provoke argument against the whole concept. If it is conceded, however, that somebody must monitor the management performance, then only the non-executive directors can be relied upon to do this. A shareholder is completely powerless to bring pressure to bear on a company's board unless he owns at least 5 per cent, of the company's voting shares or acts in consort with (a) others who do, or (b) 99 others who together own £10,000 paid-up value of shares.

It is the very remoteness of boards from shareholders which creates the necessity for non-executive directors, and they can only bridge this gap by formally and separately reporting to shareholders on the discharge of their responsibilities. To impose annually upon the non-executives the two-fold alternatives (a) sign up that everything's 100 per cent OK, or (b) resign, would defeat the whole object of their continuing role. It would not be unreasonable however to require them to state whether or not they were completely satisfied, and if not whether in their opinion sufficiently energetic steps were being taken to remedy any defects.

J. E. Barnwell,
3 Chilbolton Avenue,
Winchester, Hants.

Today's Events

UK: Mr. James Prior, Employment Secretary, opens Small Firms—Big Ideas exhibition, Design Centre, London.

Civil Service Department meets Civil Service unions to consider test case on legal rela*tions* between civil service and Government.

Mr. Michael Foot, Opposition deputy leader, speaks at Southend East by-election meeting.

Prince Philip gives opening address at Arctic Ocean pollution conference, Kensington; opens three-week sports exhibition at *Stock Exchange*.

Mr. James Goold, CBI Scotland vice-chairman, visits sheltered workshops of Scottish Epilepsy Association, Glasgow.

In-company communications seminar, Birmingham Chamber of Commerce.

Post Office reports on progress of viewdata system Prestel.

Archbishop of Canterbury speaks at Foreign Press Association lunch, London.

Engineering 80 exhibition opens, Harrogate.

Microforum Europe exhibition opens, Wembley Conference Centre (until March 13).

Overseas: Last day of Bank of International Settlements meeting in Basle.

European Parliament in session, Strasbourg.

PARLIAMENTARY BUSINESS

House of Commons: National Health Service (Invalid Direction) Bill, second reading. Motions on Representation of the People (Variation of Limits on Candidates' Election Expenses) Order and Deaconesses and Lay Workers (Pensions) Measure.

House of Lords: Education Bill, committee.

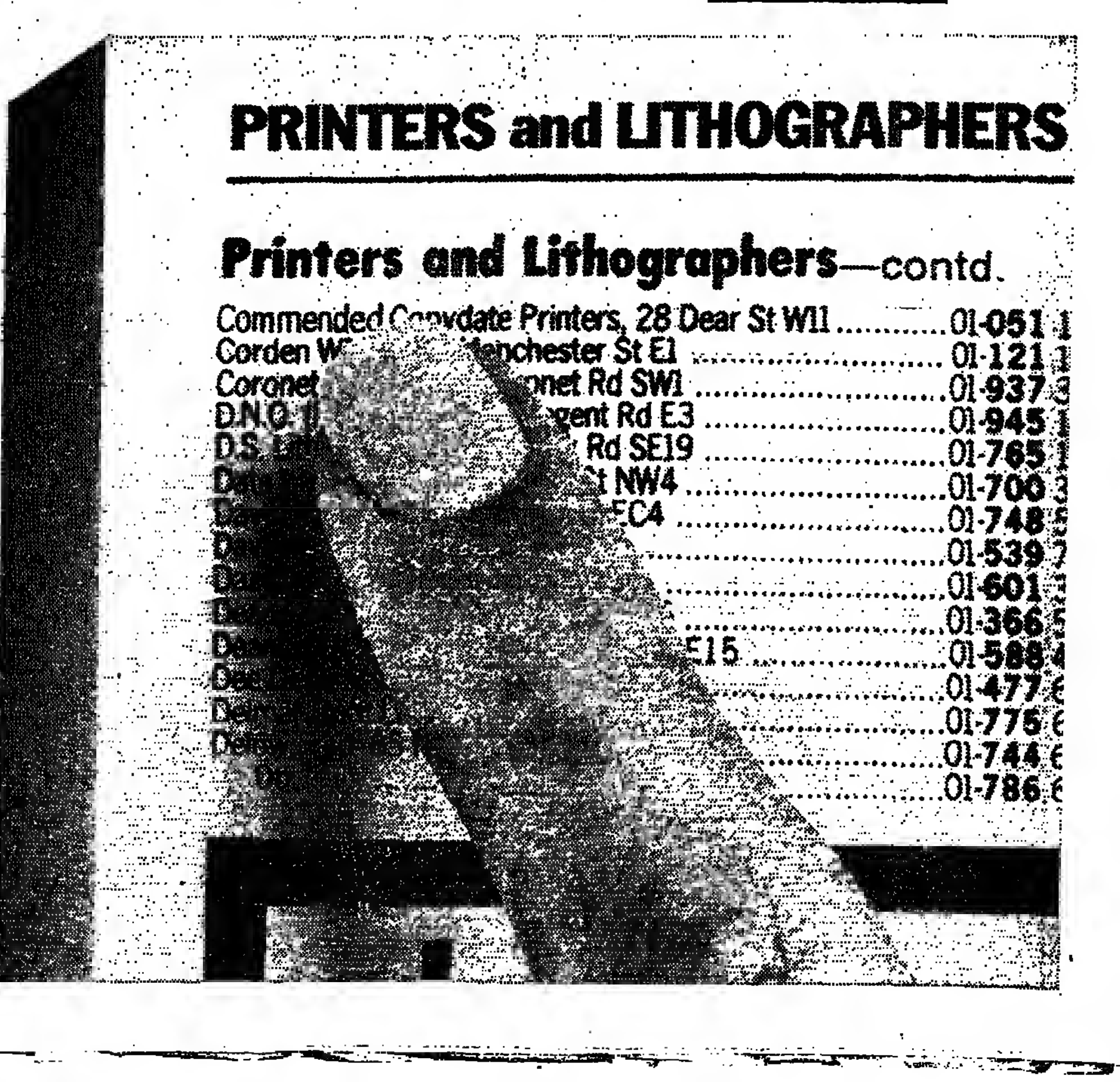
Select Committee: Foreign Affairs. Overseas Development Sub-committee. Subject: Increase in overseas students' fees. Witnesses: Dr. Rhodes Boyson, Under Secretary for Education: Foreign Office: Overseas Development Administration. Room 16, 4 pm.

OFFICIAL STATISTICS

Central Government transactions (including borrowing requirement) for February. London clearing banks' monthly statement (mid-February). UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-February).

COMPANY MEETINGS

Investors Capital Trust, 9 Charlotte Square, Edinburgh, 12.30. United Scientific, The White House Hotel, Albany Street, NW, 12. Willoughbys Consolidated, Cheapside House, 138 Cheapside, EC, 12.



R-R Motors profit halved: £6m diesel turnround

A SECOND-HALF slump from £9.22m, to £2.56m has left the taxable surplus of Rolls-Royce Motors Holdings halved at £7.15m for 1979, compared with a record £14.63m. Turnover for the full period improved by £6.14m to £158.32m.

The directors explain that the principal causes for the setback, which was foreshadowed at the interim stage, were the cancellation of a major contract to supply diesel engines to the Ministry of Defence for installation in tanks for Iran; the engineers' strike, which cost at least £5m in lost trading profits, and to a lesser extent, the road hauliers' strike: and the continuing recession in the industrial diesel market, leading to redundancies in that division costing £750,000. The diesel division suffered losses of £1.69m for the year, compared with £4.47m profits.

The directors also blame the high interest rates — charge for the year increased by £3m to £4.92m — and the strength of sterling against the U.S. dollar.

Sales of Rolls-Royce cars continue at 1979 levels at home and abroad, although some weakening in the U.S. market reflects the serious downturn in the general U.S. car business.

Production will be affected over the next 18 months by the introduction of a new model, but profits from the car side should continue to be the group's major contributor.

HIGHLIGHTS

Lex looks briefly at the latest figures on wholesale prices and then considers four company stories. **Rolls-Royce Motors** has suffered a sharp drop in profits. Partly because of a slump in diesel engine demand and the engineering strike while interest costs have risen sharply. **Lloyds Bank** annual report warns of sharply rising costs which could hurt if interest rates fall significantly. On the takeover front **S and W Berisford** appears to have taken first steps towards a bid for **British Sugar Corporation**. Finally **Canadian Pacific Investments** is launching a share sale in Europe.

The company had a dispute at the Shrewsbury factory, now settled, which cost considerable revenue during February. Prospects for diesel engines in the current year are therefore not good, directors state, although there will be savings as a result of reductions in the labour force.

Prospects for the aero gas turbine component sector, however, are excellent, they add.

Provided the group can cope successfully with the aftermath of the steel dispute, and there are no further major national disruptions, directors say there should be an improvement in overall profits for 1980.

The year's tax charge took £2.05m against £2.95m, and there were exchange losses of £294,000 (£312,000).

Earnings per 25p share are shown well down from 19.72p to 8.61p and the dividend total is 5.4692p (5.3689p) net with a final payment of 3.129p.

The capital expenditure programme embarked upon three years ago for the increase in production of diesel engines, V range engines and motor cars was expected to reach its peak in 1979 with expenditure of about £20m.

Due to the delays caused by the industrial disputes, expenditure during the year was only £16m and as a result the amount in 1980, which would have been just over £10m, will now be around £14m, and will conclude the four-year programme.

The £10m term loan from Lloyds Bank was, as planned, fully taken up during the second half, and in view of delays in the capital expenditure programme, the £3m LABCO loan, due to mature in 1980, has been extended until 1982, with the facility increased to £5m.

	1979 £000	1978 £000
Turnover	158,316	152,182
Cars	96,131	85,474
Diesel engines	35,680	47,634
Other products	26,505	19,074
Profits	12,062	16,541
Cars	10,325	10,098
Diesel loss	1,693	†4,469
Other products	3,430	1,574
Interest	4,917	1,907
Pre-tax profit	7,145	14,634
Tax	2,050	2,952
Exchange losses	294	312
Minorities	14	46
Attributable	4,787	11,324
Dividends	3,309	3,085
Retained	1,478	8,239

† Profit.

To assist in the financing of working capital the ECGD bills and notes facility has been increased and this, together with the acceptance facility available through the company's merchant bankers and the normal overdraft facility with Lloyds Bank, should give adequate facilities in the UK for 1980.

These requirements are all within planned arrangements with the bank and the directors anticipate that in 1981, when the current capital expenditure programme has been completed, the company should return to a positive cash flow.

Temporary overseas borrowing is to finance high seasonal stocks and the new involvement with Lotus cars distribution.

As at December 31, balance sheet shows net current assets of £21.06m (£24.48m) — bank overdrafts totalled £6.32m (£3.86m)—and total assets of £80.23m (£69.98m).

See Lex

Berisford raises stake in British Sugar

S. & W. Berisford, the commodity trader, announced yesterday that it had acquired further shares in the British Sugar Corporation, to push its total stake to near 10 per cent. The Government, with a 24 per cent interest, is the largest holder in BSC.

Mr. G. E. Percival, a director of Berisford, said that the company intends to hold its 5.99m shares as an investment and there was no question of a bid. He regarded the shares as cheap —yesterday they closed 1p higher at 160p, valuing the stake at £9.6m. Berisfords shed 1p at 152p. Berisford had previously held under 5 per cent of British Sugar.

Mr. John Becket, chief executive of British Sugar, pointed out that Berisford dealt in all sorts of things including shares. He said that the nature of the two companies was entirely different and if there was a bid from Berisford it would be bitterly opposed.

Mr. Becket did not think that BSC was vulnerable to a bid but he felt that the shares were too cheap. He said he still had no indications what the Government's plans were for their interest.

At the annual meeting yesterday of Berisford, Mr. E. S. Margulies, chairman, told shareholders that directors were reasonably confident that current half-year's results, to the end of March, would compare favourably with those of the same period in 1978/79.

In this event, it was the board's intention to repeat last year's interim dividend of 2.5p net and leave any further increase to apply to the final in the light of the full year's results. Last year's final was 5p.

Pre-tax profits for the year ended September 30, 1979 rose from £31.36m to a record £32.22m, with £16.1m (£13.65m) coming in the first half. Turnover for the year reached £2.17bn (£1.34bn).

Mr. Margulies said the group continued to expand and it was hoped shortly to conclude the acquisition of Wessanen Cocoa BV, a leading cocoa processor in Holland.

Following last year's pattern, total sales were again well ahead and for the first four months had exceeded £800m. However, the chairman repeated his caution that in Berisford's case turnover was not a reliable measure of net emerging profits.

However, the board remained confident of the future.

Parker Knoll jumps and expects at least £3.5m

MORE THAN doubled taxable profits of £2.06m for the six months to January 31, 1980, against £1m previously, are reported by Parker Knoll, furniture manufacturer. And Mr. Martin Jourdan, chairman, expects that the full-year surplus will be at least £3.5m, compared with £2.53m last time.

Sales improved from £10.86m to £15.25m.

The net interim dividend is stepped up to 2.5p (0.725p) to reduce disparity. Last year's final was 4.275p. After tax of £925,000 (£478,000) for the six months, stated earnings per 25p share are up from 7.7p to 15.5p.

The chairman says profitability in all divisions was substantially higher than last time. The acquisition of Raymakers, results of which are included for the whole period, made a material contribution to the figures.

The chairman says margins in all divisions remain good. Despite the difficult nature of the furniture market at present, he is confident that the wide spread of the group's activities, coupled with continuing financial strength, puts the group in a very favourable position.

● comment

Interim profits at Parker Knoll are more than doubled and the forecast of at least £3½m for the year probably means £3¾m at the end of the day. The surprise is why shares only moved 15p higher to 113p where a prospective p/e on a 45 per cent tax charge is only 3.9. Even given a voting/non-voting split in the share capital Parker deserves a better price than that. The prospective yield is probably around 10 per cent at present. Adjusting for the new Raymaker acquisition wipes £¼m off the profits increase taking in financing costs but the furniture and textile operations certainly beat expectations. The volume increases are more than impressive and textile exports are up nearly a quarter, despite the rise in sterling. Over the past six months the furniture side produced much of the gain in profit margins—admittedly it was coming up from a low base—but the second half will inevitably come in for a rougher ride and contract sales will feel the impact of Government cutbacks. Textiles on the other hand are more immune from a downturn on consumer spending and Parker does not expect any real pressure. At the bottom line the company has a strong balance sheet which by the year end could have in excess of £1½m of cash sitting on deposit waiting for the next expansion/diversification move. Net asset value last summer was 168p and the company would be an ideal takeover candidate but for its voting structure. The shares must eventually catch up with events.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Cornell Dresses	0.8	—	0.8	0.8	0.8
First Guernsey Tst.	4.5‡	—	3.5	4.5	3.5
J. Jarvis and Sons int.	5.5	April 3	4.9	—	10.9
Merchants Trust	2.25	May 19	1.75	3.75	3
Neil and Spencer	2.1	May 5	1.78*	3.5*	2.33*
Rolls-Royce Motors	3.13	—	2.99	5.47	5.37
Parker Knoll int.	2.5§	April 25	0.73	—	5
Joseph Stocks int.	1	April 3	0.36*	—	3.06*

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Gross throughout. § To reduce disparity.

Jarvis back in the black at midway

PRE-TAX PROFITS of J. Jarvis and Sons, building and civil engineering contractor showed a steady improvement from £102,000 to £145,000 in the six months to September 30, 1979. The figures are in line with the chairman's statement at last year's annual meeting when he said he expected a return to profitable trading, and he is still of that opinion—for 1978-79 the group incurred a £574,000 loss (£519,000 profit).

The interim dividend is increased from 4.9p to 5.5p—last year's total was 10.9p.

Turnover for the first half increased from £9.5m to £11.71m. Tax was lower at £7,300 against £45,700, but there was a deduction for minorities of £3.2m (£900).

Neil and Spencer advances to record £1.74m at year end

AS EXPECTED, further progress was achieved at Neil & Spencer Holdings in the second half, with profits advancing from £641,000 to £1.02m, and for the full year ended November 30, 1979 the taxable surplus was a record £1.74m, compared with £1.03m. Sales jumped by £6.75m to £21.86m.

The directors state that the overall level of activity in the group is satisfactory and that progress should be maintained during 1980.

Diluted earnings per 10p share of this dry cleaning, laundry and textile machinery manufacturer are shown as 10.3p (7.9p), and the dividend is effectively raised to 3.5p (2.33p) with a final payment of 2.1p net.

The directors say 1978-79 was a year of significant expansion—Westair-Hargreave, acquired on November 30, last, is operating satisfactorily, and they believe it will make an important contribution to the development of the group.

Pre-tax figure was subject to tax of £668,978 against £369,586 and minorities £57,715 (nil).

There was an extraordinary credit of £23,764 for the period, compared with a £17,226 debit, and the amount retained was £706,984 (£463,001).

● comment

Neil and Spencer has been growing at an impressive rate in recent years, thanks mainly to the worldwide re-equipment programme in laundry and dry-cleaning machines. Stripping out the D'Hooge acquisition for eight months leaves pre-tax profits in the latest financial year increased by more than a third. In the home market, which accounts for three-quarters of group sales, profits were a fifth higher. Meanwhile the latest acquisition, Westair, a company manufacturing air control equipment and energy efficient heat pumps, looks like being a prudent move given that Neil and Spencer holds such a large share of the market in its traditional activities and is therefore highly vulnerable to the inevitable downturn. With gearing still at a manageable level, further diversification can be expected when the right opportunities occur. On stated earnings the shares, at 110p, up 2p, stand on a p/e of 10.5 while the yield is 4.6 per cent—a rating that implies that there is still growth in store.

Bishopsgate Prop. suspended

Shares of Bishopsgate Property and General Investments, which warned about possible insolvency last November, have been suspended at its request "pending clarification of the company's position." The suspension price was 5p.

The financial problems of Bishopsgate date back some years. Mr. Henry Sporborg, the chairman, said in mid-1977 that "we are simply surviving day by day."

Since then, the company has sold its stakes in County and District Properties and in Berkeley Hambro Property (which also owns 8.8 per cent of Bishopsgate and is 44 per cent owned by Hambros).

When Bishopsgate's 1978 accounts were belatedly produced last November, Mr. Sporborg said that various loan waivers by banks had cut its liabilities by some £480,000.

The waivers followed the company's failure to repay its foreign currency loan last June. A key one involved Bishopsgate's bankers agreeing to forgo DM 405,000 (then around £100,000) and to continue to advance the remaining loan of DM 6.99m (£1.82m) on a demand basis but with a final repayment date of March 31 this year.

Manganese Bronze down in first half

FOLLOWING THE decline in the last full year from £2.73m to £1.46m, taxable profits of Manganese Bronze Holdings fell from £322,000 to £185,000 in the six months to January 31, 1980, on increased turnover of £18.87m against £15.43m.

Trading profits for the period, however, rose by £30,000 to £686,000, with the reduced pre-tax results reflecting a sharp increase in interest charges from £334,000 to £501,000.

Mr. R. D. Poore, the chairman, says the immediate outlook cannot be considered promising, although the situation could improve dramatically given a period of industrial peace and the success of the Government's anti-inflation programme.

Unit managements are well position to take full advantage of better national economic news, he states.

The chairman says the engineering dispute had a particularly severe effect on the six months' figures and it is estimated to have cost the group at least £0.5m in lost trading profits.

Trading profits for the six months were struck after depreciation of £422,000 (£360,000) and leasing of £70,000 (£63,000). Tax charge was down from £167,000 to £96,000.

● comment

Manganese Bronze Holdings is, in part, a victim of circumstances. At the trading profit level, up 4.6 per cent, the group says it may have lost £0.5m as a result of the engineering strike. Down at the pre-tax stage, which has fallen 42.5 per cent, the higher interest charges relating to the group's involvement in the motor cycle industry are to blame. The interest charge is up 50 per cent, lopping off a fair amount of earnings and the fact that at least a quarter of group business is tied to the motor industry is also a slightly unsettling thought. For the full year, the company may be lucky to reach last year's pre-tax level, but something over £1m might be more realistic. At say £1.25m, the fully taxed p/e would be 6.5. And the historic yield comes to 10 per cent at 31p.

Difficulties for Bath & Portland

THE CURRENT year and 1981 will be difficult for the Bath and Portland Group as it seeks to repair the loss of profitable turnover from overseas and at the same time carry the burden of bank interest on the finance guaranteed by the Export Credits Guarantee Department, says Sir Kenneth Selby, the chairman, in his annual statement.

The group is seeking new work overseas, but the chairman says new contracts are not won without expense and normally existing contracts are relied on to carry the load of forward marketing.

Results for the year ended October 31, 1979 were hit by the postponement of a major road contract in Iran and pre-tax profits fell from £5.17m to £2.76m, on turnover of £74m (£89m).

Sir Kenneth says the group has already won a valuable contract in Sudan, but adds that it may not be possible to maintain profits, to continue to develop the successful home-based divisions and to see overseas promotional work through.

Referring to the £500,000 balance arising from the provision for the Iranian contract, which has been deducted from work in progress as at October 31, 1979, the auditors say they concur with the directors' view that it is not possible to assess whether the provision is excessive or inadequate.

EUROPEAN OPTIONS EXCHANGE

Series		April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
ABN C	F.280	—	—	3	4.50	—	—	F.271
ABN C	F.300	11	0.40	—	—	—	—	
AKZ C	F.25	30	0.50	12	1.10	20	1.50	F.23.90
AKZ P	F.26	10	1.50	—	—	—	—	"
AKZ P	F.27.50	—	—	6	4.20	—	—	
HEI C	F.65	4	2	—	—	7	4.50	F.61.50
HEI P	F.65	11	4.50	—	—	—	—	"
IAM C	$70	—	—	3	2⅜	—	—	$61¼
KLM C	F.60	15	7.80	10	10	—	—	F.66.30
KLM C	F.70	25	2	16	5	—	—	"
KLM C	F.80	7	0.30	12	1.80	1	2.80	"
KLM C	F.90	420	0.10	5	0.50	—	—	"
KLM P	F.60	19	1.10	—	—	10	3.50	"
KLM P	F.70	31	5.60	15	6.80	—	—	"
KLM P	F.80	20	13.50	2	14	—	—	"
NN C	F.115	73	1	13	2.50	—	—	F.108.70
NN C	F.120	8	0.50	1	1.30	—	—	"
NN P	F.110	—	—	—	—	6	4.80	"
PET C	Fr.5000	5	540	—	—	—	—	Fr.5340
PET C	Fr.6000	9	280	10	280	—	—	"
PET C	Fr.5500	4	50	2	140	2	2.70	"
PET C	Fr.6500	20	10	3	70	2	170	"
PET P	Fr.6000	5	780	—	—	—	—	"
PHI C	F.17.60	—	—	—	—	2	2.50	F.16.50
PHI C	F.20	2	0.30	47	0.60	156	1	"
PHI C	F22.50	63	0.10	40	0.30	235	0.40	"
PHI P	F17.50	21	0.50	—	—	—	—	"
PHI P	F.20	—	—	15	1.90	50	2	"
RD C	F.145	74	16.70	—	—	—	—	F160.20
RD C	F.150	24	13.50	3	15.50	—	—	"
RD C	F.160	227	6.70	274	8.50	23	11.50	"
RD C	F.170	346	2.70	119	4.60	58	6.90	"
RD P	F.140	10	0.20	—	—	10	2	"
RD P	F.145	—	—	—	—	15	3.50	"
RD P	F.150	175	0.90	35	4.70	—	—	"
RD P	F.160	222	5.80	49	9.90	23	12.50	"
RD P	F.170	113	12	28	15	—	—	"
UNI C	F.110	30	2.70	—	—	—	—	F107
UNI C	F.115	60	1	33	2.50	11	4.50	"
UNI C	F.120	15	0.60	—	—	—	—	"
UNI C	F.130	15	0.10	—	—	—	—	"
UNI P	F.110	22	4.20	10	6.20	—	—	"
XON C	$55	4	6¼	—	—	—	—	$60
XON C	$60	10	3½	—	—	—	—	"
		May		Aug.			Nov.	
BA C	$60	—	—	6	3	—	—	$57½
BA C	$70	—	—	10	3¼	—	—	"
SLB C	$120	2	3½	—	—	—	—	$105¼
VEB C	DM.160	—	—	6	5	—	—	DM155.50
VEB C	DM.170	—	—	—	—	4	5	"

TOTAL VOLUME IN CONTRACTS 5581

C=Call P=Put

BIDS AND DEALS

National Carbonising buy 25.6% of Hampton Gold

BY PAUL CHEESERIGHT AND CHRISTINE MOIR

Nstinnal Carbonising, which last year came under the control of Mr. Graham Ferguson Lacey, has bought a 25.6 per cent stake in Hampton Gold Mining Areas for £4.43m.

Bond Corporation, the diversified Australian resources and investment group built up by Mr. Alan Bond, disclosed yesterday that it had sold its 1.36m shares in the London-based minerals company to National Carbonising for 325p a share.

This gives a profit of £1.5m to Mr. Bond who bought the shares last October for 215p each. The remainder of the shares were bought in the market.

The deal is National Carbonising's second major investment in the resources sector since Mr. Ferguson Lacey becsme cnairman and major shareholder last year.

Last September it acquired about 5 per cent of Weeks Petroleum, the Bermuda-based oil exploration group, and more recently built this stake up to 7.25 per cent at a total cost of around £6m.

This is the third time the Hampton stake has changed bands in the last 18 months. Colonial Mutual Life Assurance Society of Australia built up the interest last year when it had takeover talks with Hampton. After these talks broke down, the shares were sold to Bond.

Bond's sales follows abortive attempts to gain board representation at Hampton. The company, which has fought fiercely for its independence over the last 18 months, seems likely to resist any similar overtures from Mr. Ferguson Lacey.

So far Mr. Ferguson Lacey has not been in touch with Hampton, the rhairman nf which, Mr. James Ley, was surprised by the purchase. "I am not wildly enthused," he said.

Hampton's staple income comes nickel royalties in Western Australia. It has purchased stakes in other small mining companies, most notably in recent months in Geevor Tin, the Cornish producer, and Paringa Mining, an Australian concern. It also has North Sea oil and gas interests.

It appears to be the North Sea interests which have attracted Mr. Ferguson Lacey, who has promised to concentrate National Carbonising's activities in "the sphere of energy." For some years the company's main asset has been a 6.8 per cent stake in London and Scottish Marine Oil, but Mr. Ferguson Lacey sold this for a net £9.65m early this year.

The proceeds of that sale and further minor sales of National Carbonising's non-energy sctivities now appear to have been fully invested in the stakes in Weeks and Hampton. Mr. Ferguson Lacey has denied, however, that he intends to turn National Carbonising into an energy investment trust.

National Carbonising shares yesterday closed at 120p, for a risa on the day of 4p. Hampton shares, moving against the trend of the Australian market, finished 7p higher at 357p. Bond Corporation shares were 88p.

● In a separate move yesterday Mr. Ferguson Lacey sought suspension of trading in the shares of Hamilborne, a small brick making and investment-ment holding company of which he has 53 per cent. The shares had moved up 9p to 84p prior to suspension.

An explanation is expected within the next 48 hours. Meanwhile, the suspension announcement said simply that negotiations were currently taking plsce which would, "if successful, materially alter the character of the company."

Among its investments, Hamilborne has a small stake in Bernard Wardle, the motor textiles group, for control of which Mr. Ferguson Lacey is currently bidding through his main private vehicle, Birmingham and Midlands Counties Trust.

W. AND E. TURNER SUSPENDED ON BID APPROACH

W. and E. Turner, which sells shoes, hosiery and handbags, has asked for its shares to he suspended following an approach which may lead to a takeover bid.

At yesterday's suspension price of 48p, down 1p, the company is capitalised in the market at nearly £5m. Its last profits statement, for the first half of 1979, showed a sharp jump in pre-tax profits from £278,000 to £475,000 after a rise in the whole of 1978 from £954,000 to £1.4m.

A large slice of Turner's shares, over 40 per cent, is in the hands of directors and others closely associated with the company. The chairman, Mr. Kenneth Bowder, owns 21.56 per cent. Other sharehnlders include Pearl Assurance and Magwest Nominees with just over 5 per cent each.

GREENBROOK SECS.

Greenbrook Securities has acquired s furthar 72,500 ordinary shares in the East Lancashire Paper Group and now owns 715,000 ordinary shares, representing 13.12 per cent.

Greenbrook is an unquoted company controlled by members nf the family of Mr. Joseph Green, and is the parent company of the formarly quoted British Industrial Holdings.

R. A. DYSON

The listing of R. A Dyson has been cancelled at the company's request following the acquisition of over 70 per cent of the capital by Ryland Vehicle Group.

Application may be made to make specific bargains.

Dyno-Rod seeks SE quotation by year-end

By Arnold Kransdorff

A Stock Exchange quotation is being considered for Dyno-Rod, the plumbing and sewerage service subsidiary of the Zockoll Group, Mr. David Taube, deputy chairman and managing director, said yesterday.

Negotiations are underway for tha company to come to the market by way of a reverse takeover into an existing public company, he said.

Mr. Taube said that if the negotiations were successful, the company could come to the market by the end of the year. An alternative was also being considered whereby Dyno-Rod would go pnblic under its own steam, in which case a quotation would be about two years away, he added.

There are 61 Dyno-Rod centres in the UK of which 15 are wholly owned by the company and the halance operated under franchise.

In 1979 the company's turnover was £7.2m on which pre-tax profits amounted to £0.5m. Current year projections put turnover at over £9m and profits at around £0.75m.

The company was started in 1963 by Mr. James Zockoll, a full-time airline flight engineer who is also chairman of Zockoll.

BONNERPARK INCREASES ROYCO STAKE

Shareholders, who bold 24.6 per cent of the shares of Royco, the property development concern, have decided to accept a bid, which placed a value of £10m on the company, from interests controlled by the group's former chairman, Mr. Roy Strudwick.

The bid, made through Bonnerpark, owned by Supreme Investments, a Jersey company controlled by Mr. Strudwick, has given the company 4.91m Royco shares. Added to its existing stake of 10m shares, Bonnerpark holds 14.91m shares in total, representing 74.6 per cent of the Royco capital.

Bonnerpark's bid had heen opposed by independent directors of the Royco hoard, who said that the 50p per share cash offer was inadequate.

Bonnerpark's advisers, Barclays Marchant Bank, stressed the there were no board changes planned in Royco as a result of the independent directors' resistance.

BOOTH TANNERY MERGER

Booth (International Holdings), the hide and skin merchant and tanner, is to rationalise its production of leather in Nottingham by merging two tanneries.

The plant and equipment of Wade and Co. (Nottingham) is to be transferred to the Trent Bridge Leather Works of Turney Bros. The eventual sale nf the Wade property is expected to be above book value, which will help to materially offset the costs of rationalisation.

The joint operation, it is said, will lead to improved productivity.

VIKING OIL

Sbares of Viking Oil, the oil and gas exploration group, which are traded under rule 163(3) on the Stock Exchange, were suspended at the group's request pending an announcement. The suspension price was 910p.

Last month Viking agreed to a bid from a subsidiary of the major West German oil group Deminex. The proposed offer is 300p in cash and one royalty unit — the right to a specified percentage of oil production proceeds — for each Viking share.

Yesterday, there bad been speculation that there would be an announcement from Deminex and Viking, but London advisers for Deminex, S. G. Warburg, said: "there was no news to report."

British Assets Trust and Edinburgh American Assets Trust, who are associates under the terms of the City code with respect to their holdiogs in Viking, revealed yesterday that they bad reduced their investment in tha ordinary capital of Viking from 10.7 per cent to 8.8 per cent at prices ranging from 965p to 983p. They are no longer an associate of Viking.

Jos. Stocks increase

PRE-TAX profits of Joseph Stocks and Sons (Holdings), wholesale provision merchant, importer and distributor, improved from £267,716 to £381,675 in the half-year to September 30, 1979. Turnover was up from £22.32m to £23.24m.

Tax charged was bigher at £196,471 against £139,212. The figures exclude associated compsny, Trevor Hammond.

The interim dividend is effectively increased from 0.36p to 1p—last year's total was an adjusted 3.06p from pre-tax profits of £626,000. Stated earnings per 10p share are 7.4p against 6.2p.

SPAIN

SPAIN 33 6PT	Price	CC
March 5	%	+ or −
Banco Bilbao	226	
Banco Central	256	
Banco Exterior	213	
Banco Hispano	225	
Banco Ind Cat.	135	
Banco Madrid	156	
Banco Santander	274	+2
Banco Urquilo	174	
Banco Vizcaya	236	
Banco Zaragoza	209	
Dragados	100.5	+0.5
Espanola Zinc	69	
Fecsa	57.2	
Gal. Preciados	33	−1
Hidrola	63.5	
Iberduero	59.2	−0.5
Petroleos	107	+0.5
Petroliber	63	
Sogefisa	113	
Telefonica	54.5	
Union Elect.	63	+0.3

Lloyds seeking to reduce dependence on interest

FACED with the alternative risks of high and low inflation, Lloyds Bank has heen pushing on with those parts of the business which are less dependent on interest rates, particularly the international and wholesale operations, Sir Jeremy Morse, the chairman, says in his annual statement.

Merchant banking activities are continuing to be expanded at home and abroad and new branches or representative offices have been opened in Germany, Italy, Canada, the U.S. and Colombia.

"If the battle to defeat inflation is won and interest rates come down well into single figures and stay there, the profitability of our retail business in the UK would he hard hit," Sir Jeremy says, pointing out that the group's costs would stop rising but income would suffer a substantial actual reduction.

"If on the other hand inflation continues or even accelerates, then we could face the new danger of a general decline in saving combined with a move of balances away from current account to interest-earning accounts."

Tba temporary combination of increased interest rates and a national economy still growing in comparison with the previous year produced a rate of return exceeding, by a considerable margin, the cost of operating the network's current accounts, in 1979, Sir Jeremy says.

As tha inflationary cycle progresses, however, and the UK and U.S. economies move into recession, interest rates will come down whils borrowing customers will come under pressure snd if the recession is deep enough this vulnerability will extend to the bank's lending abroad in many parts of the world.

Therefore the 1979 profits, ahesd 49 per cent to £277m pre-tax, "are a welcome and necessary provision for difficult times ahaad," he states. Even so the benefits from these profits "do not lie in unsustainsble boosts in dividend, nor in excessive pay rises nor in undercharging for bank services but rather in the strengthening of group reserves over a period for the reassurance of depositors and nf everyone else with an interest in the bank."

Sir Jeremy saya he cannot be sure this cyclical pattern will continue in the 1980s.

As reported February 23, the group lifted taxable profit for 1979 to £277m (£185m). On a current cost basis in line with ED 24, the advance was from £133m to £170m. Net dividend is stepped up to 14.25p (10.1487p).

Capital commitments at year end amounted to £51.9m, against £60m, of which £11.9m (£12.6m) had been authorised but not contracted.

Total remuneration to the group's 59,328 (57,782) employees was £363m (£318m) representing 61 per cent of operating costs.

The chairman received £64.458 (£55,485) and the highest paid director £67,160.

Ample liquidity in the world's money markets kept competition intense and margins low in 1979 and the bank's international profits suffered further from the relatively bigh level of sterling.

See Lex

Hunting Gate moves into U.S. as profits surge

SUBSTANTIALLY INCREASED taxable profits of £936,837 for the year to July 31, 1979, against £591,325 previously, are reported by Bunting Gate Group, the unquoted construction, property development and investment concern. Sales advanced from £7.33m to £10.74m.

Mr. Keith Guyton, in his last statement as chairman, says the directors believe pre-tax profits will be higher in the current year.

He adds that the group has decided to set up an operation in the U.S. initially on a limited scale but with the long-term aim of heing able to provide a service similar to that in the UK.

The directors have decided to make no provision for deferred tax on 1978-79 profits, after considering the probable future level of activity and in view of the £2.06m tax losses still available.

Group oet assets jumped from £1.46m to £3.07m as a result of the retained earnings and surpluses arising from revaluation of existing investments and new developments completed and transferred to the investmant portfolio during the year.

In view of this, there is a one-for-one scrip issue increasing the issued capital to £1m.

Hunting Gate Developments had a successful year and its output in 1979-80 should show a further substantial increase, the chsirman says.

The homes division increased turnover and profits. However, with the interest rate rises, the market bas recently become unsettled and further acquisitions have been restricted to developments on which an early start can be made.

Hunting Gate Construction was again fully occupied snd is expected tn show a further increase in ontput this year. A new subsidiary, Hillgate Civil Engineering, was formed last year to execute the groundworks on developments and should make a useful contribution to group profits, the chairmsn says.

Two industrial developments pre-let to prime covenants were completed during the year and retained by Hunting Gate Investments. Construction is in progress on further pre-let schemes scheduled for completion in 1979-80, and nn which medium-term finance has been arranged.

When these are complete, the rent roll of the portfolio is expected to be about £200,000, and furtber schemes are being considered.

Mr. C. J. Baker last week succeeded Mr. Guyton as chairman. Stoy Hayward and Co. have replaced Watts Knowles and Co. as auditors.

FIRST GUERNSEY TRUST AHEAD

Revenue of First Guernsey Securities Trust advanced from £19,287 to £31,255 for 1979, before tax of £6,731 against £4,185. The gross dividend is raised from 3.5p to 4.5p per £1 share snd a one-for-four scrip issue is also proposed.

Net assets at the year-end were up from £814,110 to £906,175, while asset value per sbare reached 227p (204p).

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interim:—Ductile Steels.

Finals:—J. Bibby, City and Commercial Investment Trust, De Beers Consolidated Mines, De Beers Industrial, S. W. Farmer, Johnson Group Cleaners, Pentos, Rey Brothers, Rosedimond Investment Trust, Sedgwick Forbes Bland Payne.

FUTURE DATES

Interims:—	
Armstrong Equipment	Mar. 19
Bumdene Investments	Mar. 14
Chambers and Fargus	Mar. 24
Downing (G.H.)	Mar. 18
Lucas Industries	Mar. 27
Macallan-Glenlivet	†Mar. 28
Mills and Allan International	Mar. 20
Photo-Me International	Mar. 20
Pifco	Mar. 21
Pressac	Mar. 20
Thorpe (F.W.)	Mar. 20
Walker (James) Goldsmith and Silversmith	Mar. 20
Finals:—	
Bowater	Apr. 10
East Lancashire Paper	Mar. 13
Frohor (James)	Mar. 17
Friedland Doggart	Mar. 27
Hangor Investments	Apr. 2
Invergordon Distillers	Mar. 17
McCleery L'Amie	Mar. 18
Schroders	Mar. 13
Slough Estates	Mar. 26
Smith and Nephew	Mar. 18
Smith St Aubyn	Apr. 30

† Amended.

Merchants' Trust

PRE-TAX revenue of Merchants Trust expanded from £2.58m to £3.05m for the year ended January 31, 1979, and the dividend is increased to 3.75p, against 3p, with a net final of 2.25p.

Gross revenue amounted to £3.44m compared with £3.04m.

Tax for the year took £1.07m (£961,000) after which earnings are shown as 3.82p (3.07p) per 25p share.

Net assets were £50.82m (£49.15m) equivalent to 99.8p (96.8p) per share.

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

1979-80 High	Low	Company	Price	Change	Gross Div (p)	Yield %	P/E
99	70	Airsprung	71	—	6.7	9.4	4.2†
50	35	Armitage and Rhodes	35	−1	3.6	10.9	2.3†
237	185	Bardon Hill	237	—	13.8	5.8	6.9†
100	85	County Cars 10.7% Pf.	85	—	15.3	18.0	—
101	63	Deborah Ord.	93	+1	5.9	5.4	10.2
100	88	Frank Horsell	100	—	7.9	7.9	6.2
129	100	Frederick Parker	100xd	−7	12.2	12.8	4.6†
158	102	George Blair	105	—	16.5	15.7	—†
68	45	Jackson Group	66	—	5.2	7.9	3.9†
153	113	James Burrough	116	—	7.2	6.2	10.2
300	242	Robert Jenkins	255	—	31.3	12.3	8.1†
222	175	Torday	217	—	14.3	6.6	6.6†
34	16½	Twinlock Ord.	19	−½	0.8	4.4	3.6†
80	70	Twinlock 12% ULS	76	—	12.0	15.8	—
58	23	Unilock Holdings	50	—	2.6	5.2	10.6
87	42	Walter Alexander	87	—	4.4	5.0	5.8
190	136	W. S. Yeates	181	—	11.5	6.3	7.0

† Accounts prepared under provisions of SSAP 15.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

MINING NEWS

Ok Tedi granted PNG approval

BY JAMES FORTH IN SYDNEY

THE Papua New Guinea Government has approved plans for a A$700m (£344m) development of the Ok Tedi copper-gold deposit at Mt. Fubilan in the rugged Star Mountains.

In approving the plans for development, Mr. Michael Somare, the PNG Prime Minister, said his Government would probably take up a 20 per cent interest in the venture.

The current partners in the Ok Tedi consortium are Broken Hill Proprietary with 37.5 per cent, Mt. Fubilan Development, an offshoot of Standard Oil of Indiana, with 37.5 per cent, and a group of German companies called Kupferexplorationsgesellschaft with 25 per cent.

The Bank of America has been appointed financial adviser to the consortium.

The plans call for extraction of 600-700m tonnes of ore over 25 years. The initial operations will concentrate on gold as the main porphyry deposit is covered by a cap of overburden rich in gold.

The development will occur in stages and the initial major infrastructure components will include a hydro-electric power station and a major road, which will link the deposit with the head of the Fly River. From there the concentrate will be carried by barge down the river and then shipped to Port Moresby.

The project, which is expected to start earning revenue in about five years time, could be PNG's largest single money earner for a period of about 10 years, according to a Government spokesman.

Amax's £673m plan for molybdenum

AMAX, the diversified U.S. group, is to spend $1.5bn (£673m) on expanding its molybdenum capacity over the next five years, Mr. Pierre Gousseland, the chairman, said in London yesterday.

The group's total capital investment programme over that period will cost $4bn.

The new spending programme comes against the background of record earnings in 1979, when net profits were $365.3m, and of an expected new record income this year.

But Mr. Gousseland noted that spending will not proceed at such a speed as in 1972-77. During those years investment was running at double cash flow. In the future the investment would be at the rate of cash flow, in order to maintain better control over the group's finances.

The next few years could see the Mt. Emmons and Mt. Tolman molybdenum properties, in Colorado and the state of Washington respectively, brought into production, while Kitsault in British Columbia should come on stream in 1982.

Sufficient properties in the U.S. and Canada have been found by Amax and other groups to support the molybdenum market for between five and 10 years, said Mr. John Goth, the Amax molybdenum group executive. The rise in prices had created a new generation of potential low grade mines.

Mr. Goth expected that molybdenum prices would become more stable. The band of difference between producer and free market prices would become narrower as supply and demand came into balance, he said.

ROUND-UP

Shell Canada Resources, Northgate Exploration and its associate Westfield Minerals are pooling their uranium prospects in the Deer Lake and Codroy Valley areas of Newfoundland to mount a joint venture. Shell can earn a 50 per cent interest by spending C$3.5m (£1.35m) over five years.

* * *

Cadillac Explorations of Calgary estimates that it will spend C$35m (£13.5m) to bring a 1,000 tons a day milling plant on stream by the end of 1981 at its silver - lead - zinc - copper - cadmium property at Prairie Creek in the Northwest Territories of Canada.

* * *

Lacana Mining of Toronto reported that it earned C$7m (£2.7m) from its Mexican operations last year. The Mexican mines in which it has an interest produced 8.4m ounces of silver for which the average selling price was US$11.07 an ounce, 35,000 ounces of gold and 26m lbs of lead.

* * *

The European Commission proposes to spend a further 5m units of account (£3.1m) on uranium prospecting in the EEC. This will bring to 21m units of account the money spent on uranium exploration in the past four years.

MMC OUTPUT DECLINES

Production of tin concentrates by mines of the Malaysia Mining Corporation fell to 1,448 tonnes in February compared with 1,508 tonnes in January.

Output at Berjuntai, the largest of the MMC producers dipped to 331 tonnes bringing the total for the ten-month period to 3,261 tonnes against 3,475 in the same period last year.

Production at Southern Kinta fell to a ten-year low of 79 tonnes. The mine produced 1,441 tonnes in the 11-month period to end-February compared with 1,596 the previous year.

On the other hand Ayer Hitam made a much better showing during the month when output increased to 182 tonnes for an eight-month total of 1,267 tonnes. In the same period during 1978-79 output totalled 1,538 tonnes.

Monthly outputs are compared in the accompanying table:

	Feb. tonnes	Jan. tonnes	Dec. tonnes
Aokam	136	154	184
Ayer Hitam	182	109	134
Berjuntai	331	383	344
Kamunting	12	15	14
Kramat	26	31	24
Kuala Kampar	29	22	20
Lower Perak	22	20	21
Malayan	253	277	268
S. Kinta Cons.	79	97	110
Sth. Malayan	166	199	199
Sungai Besi	163	182	187
Tongkah Harb	32	37	41
Tronoh Mines	132	136	164

Second half improves but Cornell lower

SECOND HALF pre-tax profits of Cornell Dresses improved fractionally from £82,337 to £82,959, but the figures for the year to December 31, 1979 declined from £127,840 to £100,302. Turnover improved from £1.92m to £2.09m.

Tax charged was lower at £25,142 against £49,863, and the attributable profit came out at £75,160 (£61,764 after extraordinary item).

No interim dividend was again declared, but an unchanged final of 0.8p will be paid. Stated earnings per 5p share are down slightly from 2.6p to 2.5p.

56% boost for BTR in South Africa

A 56 per cent increase to R11.9m in pre-tax profits for the 13 months to December 31, 1979, is reported by BTR South Africa, the 62 per cent-owned subsidiary of BTR.

Group sales rose by 34 per cent to R92.5m. Earnings per share are shown as 49.7 cents, an increase of 54 per cent.

In his review, the chairman refers to the market improvement in confidence which led to a number of new projects creating the required demand for group's products.

APPOINTMENTS

Executive post at British Dredging for Fane Vernon

Mr. Fane Vernon, who joined the BRITISH DREDGING COMPANY on February 11 as chairman, has now become executive chairman. Last month, Mr. Bryan J. H. Clark relinquished the chairmanship but remained chief executive and took over the position of deputy chairman. Mr. Clark has now resigned from the board and from all his executive duties with the group.

★

Mr. Fenton R. Talbott, senior vice-president, has been appointed head of the European division of CITIBANK'S individual banking activity. The division is comprised of subsidiaries dealing with consumer banking in the UK, Netherlands, Belgium, Germany, France and Italy. Mr. Talbott, who will operate from London, was previously in charge of the North American division of the Gonsumer Services Gronp. Mr. Darryl G. Behrman has become a vice-president of Citicorp International Bank. Based in London, he is responsible for the Bank's corporate advisory business and financial consulting unit.

★

GLANVILL ENTHOVEN, the insurance broking subsidiary of the Charterhouse Group, has made the following subsidiary appointments: Mr. S. Boorman has become a director of Glanvill Enthoven (Home) and Mr. W. F. Shenton and Mr. P. J. Van de Pol directors of Industrial and Mercantile Credit Insurance.

★

Mr. J. D. W. Stobart will be retiring from the partnership of ROWE AND PITMAN, stockbrokers, at the close of business on April 11. Subject to formal Stock Exchange approval, Mr. P. Thompson will be joining the partnership then.

★

Mr. F. W. Hewitt, a former divisional manager of the National Westminster Bank, has been appointed a director of the WOOLWICH EQUITABLE BUILDING SOCIETY.

★

At the first general meeting of the UNITED KINGDOM PARTICLEBOARD ASSOCIATION (successor to the British Wood Chipboard Manufacturers' Association) Mr. Robert N. J. Watson, managing director of Scotboard, Irvine, was elected chairman. Mr. Watson was acting chairman of BWCMA for six months until it was replaced by UKPA in mid-January. He was the BWCMA's principal representative in its international affairs activities, and continues in that capacity on behalf of UKPA. Mr. Leslie Aaronson (Spanboard), Mr. Axel G. Beselin (Weyroc), Mr. Thomas C. H. Ford (Ciba-Geigy (UK)) and Dr. J. Robert Stillinger (Caberboard) were elected members of tha UKPA Gouncil.

★

Mr. Donald C. Lowe, president of PRATT AND WHITNEY *AIRCRAFT OF CANADA, has* been promoted to president of the group's commercial products division, succeeding Mr. David J. Hines. Mr. Hines plans to retire in 1981. In the interim, ha will assist Mr. Carlton. Succeeding Mr. Lowe, as president of Pratt and Whitney Aircraft of Canada, will be Mr. Elvie L. Smith, currently executive vice-president, operationa, for the UTG Canadian subsidiary. Mr. Smith, in turn, will be succeeded by Mr. David L. Caplan, vice-president, finance and administration.

★

Mr. David Lineham has become an assistant property manager at FEDERATED INSURANCE. Mr. Geoffrey Latham has been made assistant products and pricing manager, and Mr. Ian Strain, assistant claims manager.

★

LESLIE AND GODWIN has appointed Mr. Tony H. Bolton as managing director and Mr. Anthony A. M. Pinsent, deputy managing director of Leslie and Godwin Aviation. Mr. Mike F. J. Oxlade becomes managing director of Leslia and Godwin Contractors (Overseas). Mr. Graham Lewis joins the group as a director of Leslie and Godwin International and as senior vice-president of Frank B. Hall Overseas Inc.

★

Mr. A. W. A. Spiegelberg has been appointed company secretary of GREENALL WHITLEY AND GO. following the retirement through ill health of Mr. Arthnr Anderson.

OVERSEAS NEWS

Philip Bowring assesses the prospects for economic co-operation between Australia and New Zealand

Isolated in a corner of Oceania

AustraliaandNewZealand. The compound slips off the tongue as if it were the most natural of unions. Big, virile Australia, and modest, homely but self-reliant New Zealand.

Cricket and rugby apart, it seems obvious that these two mainly wbite, English-speaking nations sbould want to buddle together, conscious of bow tiny their populations are in relation to the vastness of Oceania aod the multitudes in oeigbbouriog Asia.

The relationship in cold and practical terms is nothing like as close as might be supposed from geography, Queen and Anzacs. But both are facing the question: should they try to act in economic concert?

The question is of limited interest in Australia, wbicb has a population four times as large as its naighbour's and an economy six times bigger. But for New Zealand it could be immensely significant. Attitudes to the Australian connection define New Zealanders' view of their position in the world and the type of economy they ought to have.

Later this month, Mr. Malcolm Fraser, the Australian Prime Minister, will have a long-advertised meeting with Mr. Robert Muldoon, the New Zealand Prime Minister, which will indicate whether or not the political will exists to move towards closer economic co-operation.

The topics are not dramatic —questions of tariffs, quotas, countervailing duties, and complementing industries. But it is as though Europe, in a minor key, were at the threshold of the Coal and Steel Community —a limited move, but the foundation of something mucb bigger.

Minerals boom

In one way, it is a most appropriate moment for the meeting. Afghanistan and war fever bave reminded both countries of the fragility of peace and prosperity, of their lack of defence and long lines of communication with friends and trade partners, be tbey American, European or (grudgingly) Japanese.

But economic forces working towarda co-operation have also weakened from a year or two ago. Australia is in the throes of another boom in minerals, and New Zealand thinks it has found energy (gas and hydro-electric power) to cure its stagnant economy.

Nonetheless, there is still momentum iu tha push which began *with the "Nareco declaration"* two years ago, wlien Mr. Fraser and Mr. Brian Talboys, New Zealand's Deputy Prime Minister, put their names to a statement of intent to move towards much closer co-operation.

The declaration partly reflected mutual disgruntlement with the multilateral trade negotiations aod the clear bias of the General Agreement on Tariffs and Trade (GATT) against farm produce exporters. But it was also a perceptioo by hoth countries that their manufacturing sectors badly needed restructuring to sustain growth and, at least in Australia's case, prevent relations with Asia being soured by excessive protectionism.

Feelings of affinity are strong. There is, for example, greater freedom of movement than within tbe European Economic Gommunity. Australians and New Zealanders can travel to, and work in, each other's countries without so much as an identity card. That has major economic consequences, but its origin is cultural, not economic. It contrasts with aevere restrictions on freedom of movement of goods, and more modest ones on capital.

Australia and New Zealand are widely believed to have a *large measure* of *free* trade already. This is an illusion stemming from the existence, aince 1966, of the New Zealand-Australia Free Trade Agreement (NAFTA). The practice, if not the principle, behind tha free trade agreement is mercantilist rather than liberal. Trade is esseotially in goods whicb tbe other does not produce, and much of its growth haa thus probably been at the expense of third countries.

The agreement has two main components: items on "Schedule A," on which tariffs have been, or are being, reduced to zero; and agreements under Article 3 : 7, wbich permit swap and complementary arrangements at the level of Individual industries or even companies. But these must be renewed annually, and are subject to agreement by industry groups on both sides.

Since 1966, two-way trade has grown from A$205m to A$1.45bn (£99m to £699m). Two-thirds is now conducted under Schedule A and another 9 per cent under Article 3 : 7. Many items on Scbedule A remain subject to import licensing in New Zealand.

Many New Zealand manufacturers, hitherto almost completely protected, are terrified at the thougbt of competition from bigger Australian companies, with their *larger* production runs and stronger finances.

Unions and politicians alike are concerned at the impact on employment of the assumed flood of imports. With unemployment at a post-war record of over 4 per cent, that is a serious issue. Tbe potential impact on Australia is much less, but Australian dairy farmers, a small but vociferous community, are worried about New Zealand competition. More encouragingly, however, manufacturers' associations on both sides of tbe Tasman Sea, even the nervous New Zealanders, agree, in theory, tbat protection, whether quantitative or through tariffs, should become the exception, not the rule.

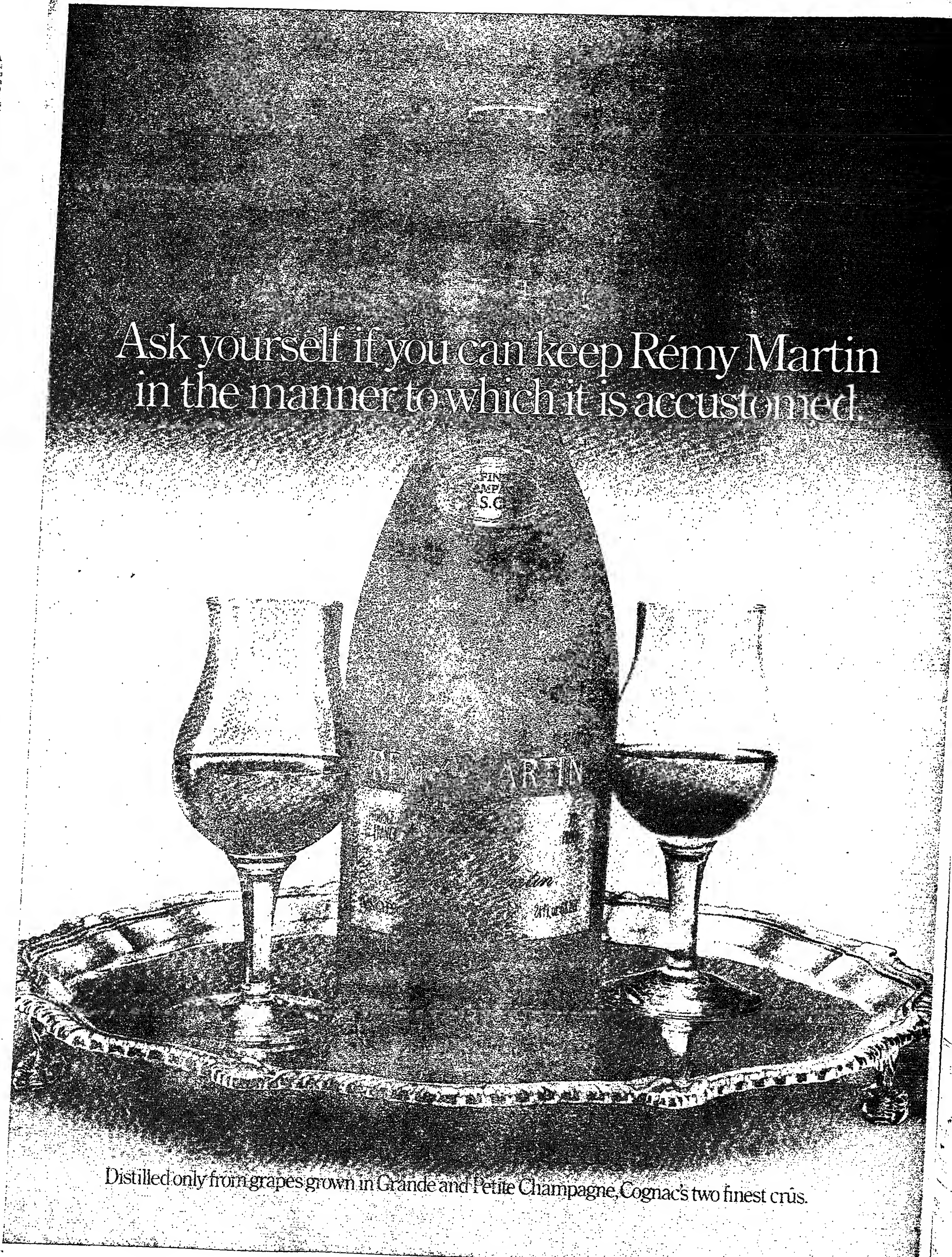
Diversion

Although each country is the other's main market for manufactures, they must both give most consideration to their main markets for primary exports. Many Australians—including Treasury officials—are concerned that freer trade with New Zealand would result in only a slightly enlarged home market for their manufacturers, while strengthening the political appeal of protectionism. Australia, they say, ahould think in terms of competing with the world. *New Zealand is a diversion.* Special arrangements with New Zealand might also be viewed with bostility by Asian neighbours anxious to increase their own access to Australasia. New Zealand critics use similar arguments. They say New Zealand must aim for skill-intensive specialised exports to occupy small but lucrative niches, *rather than go for* mass production in which it would never be able to compete internationally.

The concepts of large factories and economies of scale also fit none too well into New Zealand's ethos of the small farm and small company. Large multinationals are distrusted. The New Zealand arguments against close economic ties with Australia are not dissimilar from British voices against joining the Common Market.

New Zealand's bureaucracy and the ruling National Party clearly want economic liberalism, but they face an uphill struggle against the forces of nationalism and welfarism which have long dominated New Zealand's thinking. It may all hinge on Mr. Muldoon, who has been showing signs of merging his right-wing politics with some right-wing economics.

But Mr. Muldoon is neither a sentimentalist nor an ideologue. He is a populist, and *among the people* the appeal of litile New Zealand may yet outweigh that of greater Australasia.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Distilled only from grapes grown in Grande and Petite Champagne, Cognac's two finest crûs.

CURRENCIES, MONEY and GOLD

Dollar improves

The dollar continued to improve in currency markets yesterday despite intervention by several central banks. The dollar's recent rise has caused problems within the European Monetary System, and both the Danish and Belgian central banks were believed to have given support to their currencies in an effort to stem the rise. The Bundesbank was an active seller of dollars as was the Swiss National Bank, and while the level of business was never described as heavy, the U.S. unit was in demand for most of the day.

Against the Swiss franc the dollar finished at its best level since early June last year at SwFr 1.7350, well up from Friday's close of SwFr 1.7160. Similarly, against the D-mark it rose to a four-month high of DM 1.8095 compared with DM 1.7960 previously. The Japanese yen was slightly firmer amid speculation of further support measures, and continued intervention by the Bank of Japan. The dollar closed a shade lower at Y247.70 against Y247.80.

On Bank of England figures, the dollar's trade weighted index rose to 87.4 from 87.2.

Sterling was little changed overall, and although it lost ground against the dollar, it remained steady against other major currencies. This was reflected in its trade weighted index which finished unchanged at 71.9, having stood at 71.8 at noon and 71.9 in the morning. Against the dollar it opened at $2.2235 and fell to $2.2200 around noon. By mid-afternoon it had fallen to its low point of the day at $2.2145-2.2155, but recovered slightly to close at $2.2160-2.2170, a loss of 1.2c, and its lowest closing level this year.

D-MARK — Steady within the European Monetary System, but weaker against dollar following sharp upward movement in U.S. interest rates — The D-mark suffered widespread losses in yesterday's market despite heavy central bank support. The dollar was fixed at DM 1.8045, its highest level since late October last year, and well up from Friday's level of DM 1.7973. Trading was fairly thin, but the U.S. unit remained attractive on the recent increase in interest rates. Other currencies showed a general improvement, with sterling rising to DM 4.0050 from DM 3.9990 and the French franc to DM 42.76 per FFr 100 from DM 42.73. On the other hand the Swiss franc failed to show any immediate reaction to the latest easing of currency controls and slipped to DM 1.0454 from DM 1.0468.

FRENCH FRANC — Slightly easier recently after holding top position in the EMS for several months — The franc was mixed overall, showing a weaker tendency against the U.S. dollar and sterling, but improving in terms of the D-mark and the Swiss franc. The dollar was fixed at FFr 4.2235 against FFr 4.2095, and sterling was firmer at FFr 9.3670 compared with FFr 9.3610. On the other hand the D-mark eased to FFr 2.3393 from FFr 2.3400, and the Swiss franc was lower at FFr 2.4475.

JAPANESE YEN—Energy problems reflected in sharp decline last year, which after a slight pause has recently been renewed, resulting in a support package and heavy central bank intervention—The dollar eased slightly against the yen after strong support by the Bank of Japan. The U.S. unit finished at Y247.725, down from Friday's close of Y248.675. The Bank was estimated to have sold $100m yesterday following on last week's estimated $3bn. While the market remained nervous ahead of any further support measures for the yen, the dollar's undertone continued firm.

THE POUND SPOT AND FORWARD

March 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.2145-2.2240	2.2160-2.2170	0.05c pm 0.05 dis	—	0.07-0.17dis	−0.22
Canada	2.5695-2.5810	2.5785-2.5795	1.10-1.00c pm	4.33	2.30-2.10 pm	3.41
Nethlnd.	4.38-4.40½	4.39½-4.40½	3⅛-2⅛c pm	7.16	7½-6½ pm	6.37
Belgium	64.85-65.25	65.15-65.25	18-8c pm	2.39	48-38 pm	2.64
Denmark	12.49-12.54	12.53-12.54	1-2½ore dis	−1.68	5½-7 dis	−1.97
Ireland	1.0825-1.0865	1.0845-1.0855	p.03-0.07p dis	−0.65	0.11-0.16dis	−0.50
W. Ger	3.99-4.02½	4.00½-4.01½	4-3pf pm	10.47	9½-8½ pm	8.72
Portugal	108.40-109.40	108.55-108.75	12c pm-15 dis	−0.33	5-8 dis	−0.24
Spain	149.80-150.30	149.80-149.90	95-135c dis	−9.21	250-315 dis	−7.54
Italy	1857-1861	1859-1860	par-2lire dis	−0.65	9½-8½ pm	1.88
Norway	11.08-11.12½	11.10½-11.11½	5½-4½ore pm	5.26	13½-12½ pm	4.68
France	9.35-9.39	9.37½-9.38½	4½-3½c pm	5.44	10½-9½ pm	4.27
Sweden	9.48½-9.51½	9.50-9.51	4½-4ore pm	5.52	13-12 pm	6.26
Japan	547-555	548½-549½	2.20-1.85y pm	4.43	5.95-5.60 pm	4.21
Austria	28.60-28.75	28.65-28.70	25-20gro pm	9.42	70-60 pm	9.07
Switz.	3.81½-3.85½	3.84½-3.85½	4⅞-3⅞c pm	12.87	11½-10½ pm	11.70

Belgian rate is for convertible francs. Financial franc 66.85-66.95.
Six-month dollar 0.22-0.32c dis. 12-month 0.40-0.20c pm

THE DOLLAR SPOT AND FORWARD

March 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.2145-2.2240	2.2160-2.2170	0.05c pm-0.05 dis	—	0.07-0.17dis	−0.22
Ireland†	2.0400-2.0475	2.0400-2.0420	par-0.10c dis	−0.29	0.15-0.25dis	−0.39
Canada	1.1589-1.1640	1.1637-1.1640	0.52-0.49c pm	5.21	1.15-1.05 pm	3.83
Nethlnd	1.9770-1.9810	1.9790-1.9800	1.34-1.24c pm	7.82	3.35-3.25 pm	6.67
Belgium	29.22-29.43	29.41-29.43	8-6½c pm	2.96	24-21 pm	3.06
Denmark	5.6345-5.6515	5.6500-5.6515	0.95-1.35ore dis	−2.33	3.25-3.75dis	−2.48
W. Ger	1.7980-1.8100	1.8090-1.8100	1.65-1.55pf pm	10.61	4.18-4.08 pm	9.13
Portugal	48.95-49.15	48.98-49.09	3-13c dis	−1.96	10.40 dis	−2.04
Spain	67.60-67.76	67.60-67.85	45-65 dis	−9.76	105-135 dis	−7.10
Italy	837.70-839.50	838.70-839.00	0.1-0.6lire dis	−0.50	3.75-4.50dis	−1.97
Norway	5.0010-5.0165	5.0150-5.0180	2.20-1.70ore pm	4.66	6.00-5.50 pm	4.58
France	4.2100-4.2290	4.2270-4.2285	1.75-1.65c pm	4.82	4.30-4.15 pm	4.00
Sweden	4.2810-4.2900	4.2885-4.2900	2.00-1.80ore pm	5.31	5.85-5.65 pm	5.36
Japan	247.35-248.40	247.65-247.75	1.05-0.90y pm	4.72	2.85-2.70 pm	4.48
Austria	12.898-12.946	12.930-12.935	10.5-9.9gro pm	9.46	30.25-28.25pm	9.05
Switz.	1.7230-1.7365	1.7345-1.7355	2.08-1.98c pm	14.04	5.13-5.03 pm	11.71

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY RATES

Mar. 7	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	17	0.586976	0.625761
U.S. $	13	1.29273	1.38972
Canadian $	14	1.49646	1.60790
Austria Sch	5¼	16.6287	17.8856
Belgian F	13	37.7542	40.5762
Danish K	13	7.25868	7.80595
D'Mark	7	2.32342	2.50010
Guilder	9½	2.55185	2.74360
French Fr	9½	5.44175	5.85209
Lira	15	1079.43	1160.69
Yen	7¼	321.502	345.205
Norwgn. Kr	9	6.46558	6.93607
Spanish Pta	8	87.2489	94.0976
Swedish Kr	10	5.51608	5.94270
Swiss Fr	3	2.21988	2.39031

CURRENCY MOVEMENTS

Mar. 10	Bank of England Index	Morgan Guaranty changes %
Sterling	71.9	−33.9
U.S. dollar	87.4	−6.2
Canadian dollar	82.0	−16.5
Austrian schilling	156.1	+24.5
Belgian franc	114.3	+13.1
Danish kroner	107.2	−3.8
Deutsche mark	155.8	+45.2
Swiss franc	192.3	+73.6
Guilder	126.1	+20.5
French franc	101.0	−6.0
Lira	54.5	−49.8
Yen	115.6	+14.6

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER CURRENCIES

Mar. 10	£	$		£ Note Rates
Argentina Peso	3797-3817	1715-1725	Austria	28.55-28.80
Australia Dollar	2.0245-2.0285	0.9135-0.9140	Belgium	66.75-67.25
Brazil Cruzeiro	103.05-104.05	46.50-46.95	Denmark	12.48-12.55
Finland Markka	8.404-8.415	3.8120-3.8140	France	9.31-9.37
Greek Drachma	87.504-89.576	39.45-38.60	Germany	3.99½-4.01½
Hong Kong Dollar	10.98-11.02½	4.9610-4.9640	Italy	1850-1900
Iran Rial	n/a	n/a	Japan	550-555
Kuwait Dinar (KD)	0.606-0.616	0.2756-0.2757	Netherlands	4.37½-4.40
Luxembourg Frc.	65.15-65.25	29.41-29.43	Norway	11.07-11.24
Malaysia Dollar	4.8725-4.8825	2.1990-2.2010	Portugal	105-111½
New Zealand Dlr.	2.3010-2.3060	1.0380-1.0380	Spain	148-153
Saudi Arab. Riyal	7.35-7.45	3.3380-3.3410	Sweden	9.48-9.53
Singapore Dollar	4.8520-4.8620	2.1900-2.1920	Switzerland	3.82½-3.84½
Sth. African Rand	1.7920-1.7930	0.8085-0.8080	United States	2.215-2.223
U.A.E. Dirham	8.25-8.35	3.7400-3.7450	Yugoslavia	50-51½

Rate given for Argentina is free rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU March 10	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	40.5825	−1.99	+1.49	±1.53
Danish Krone	7.72336	7.81453	+1.13	+0.68	±1.64
German D-Mark	2.48208	2.50144	+0.78	+0.23	±1.125
French Franc	5.84700	5.85153	+0.03	−0.52	±1.3557
Dutch Guilder	2.74362	2.73951	−0.14	−0.64	±1.512
Irish Punt	0.668201	0.677336	+1.23	+0.36	±1.663
Italian Lira	1157.79	1161.33	+0.31	−0.31	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

WORLD VALUE OF THE POUND

The table below gives the latest available rates of exchange for the pound against various currencies on March 10, 1980. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Exchange in the UK and most of the countries listed is officially controlled and the rates shown should not be taken as being applicable to any particular transaction without reference to an authorised dealer.

Abbreviations: (A) approximate rate, no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling/dollar rates; (S) member of the sterling area other than Scheduled Territories; (T) tourist rate; (Bas) basic rate; (bg) buying rate; (Bk) bankers' rate; (cm) commercial rate; (cn) convertible rate; (fn) financial rate; (exC) exchange certificate rate; (k) Scheduled Territory; (nc) non-commercial rate; (nom) nominal; (o) official rate; (sg) selling rate.

Place	Local unit	Value of £ Sterling
Afghanistan	Afghani	100.0
Albania	Lek	9.9650
Algeria	Dinar	8.4945
Andorra	French Franc	9.3775
	Spanish Peseta	149.85
Angola	Kwanza	62.685
Antigua (S)	E. Caribbean $	6.00
Argentina	Ar. Peso Free Rate	3,807
Australia (S)	Australian $	2.0265
Austria	Schilling	28.675
Azores	Portug. Escudo	108.65
Bahamas (S)	Ba. Dollar	2.2165
Bahrain (S)	Dinar	0.837
Balearic Isles	Spa. Peseta	149.85
Bangladesh (S)	Taka	34.62
Barbados (S)	Barbados $††	4.4330
Belgium	B. Franc	(cm) 65.20
		(fn) 66.90
Belize	B $	4.4330
Benin	C.F.A. Franc	467.575
Bermuda (S)	Bda $	2.2165
Bhutan	Indian Rupee	18.075
Bolivia	Bolivian Peso	55.40
Botswana (S)	Pula	1.7460
Brazil	Cruzeiro ‡‡	103.55
Brit. Virgin Isles (S)	U.S. $	2.2165
Brunei (S)	Brunei $	4.8570
Bulgaria	Lev	1.9420
Burma	Kyat	14.90
Burundi	Burundi Franc	205.78
Cameroon Republic	C.F.A. Franc	467.575
Canada	Canadian $	2.5790
Canary Islands	Spanish Peseta	149.85
Cape Verde Isle	Cape V. Escudo	80.90
Cayman Islands (S)	Cay. Is. $	1.8470
Cent. Af. Repub.	C.F.A. Franc	467.575
Chad	C.F.A. Franc	467.575
Chile	C. Peso	(Bk) 86.48
China	Renminbi Yuan	3.3999
Colombia	C. Peso	(F) 99.55
Comoro Islands	C.F.A. Franc	467.575
Congo (Brazzaville)	C.F.A. Franc	467.575
Costa Rica	Colon	19.06
Cuba	Cuban Peso	1.6148
Cyprus (S)	Cyprus £	0.735
Czechoslovakia	Koruna	(com) 11.85
		n.c. 23.58
		(T) 17.25
Denmark	Danish Krona	12.535
Djibouti	Fr.	375.0 (sg)
Dominica (S)	E. Caribbean $	6.00
Dominican Repub	Dominican Peso	2.2165
Ecuador	Sucre	(O) 55.60
		(F) 61.31
Egypt	Egyptian £	(U) 1.20
Equatorial Guinea	Peseta	149.85
Ethiopia	Ethiopian Birr	(P) 4.5450
Falkland Islands (S)	Falkland Is. £	1.0
Faroe Islands	Danish Krone	12.535
Fiji Islands	Fiji $	1.8840
Finland	Markka	8.4085
France	French Franc	9.3775
French C'tyin Af*	C.F.A. Franc	467.575
French Guiana	Local Franc	9.3775
French Pacific Is.	C.F.P. Franc	163.00
Gabon	C.F.A. Franc	467.575
Gambia (S)	Dalasi	4.0
Germany (East)	Ostmark	4.0125
Germany (West)	Deutsche Mark	4.0125
Ghana (S)	Cedi	6.17
Gibraltar (K)	Gibraltar £	1.0
Greece	Drachma	83.5400
Greenland	Danish Kroner	12.535
Grenada (S)	E. Caribbean $	6.00
Guadaloupe	Local Franc	9.3775
Guam	U.S. $	2.2165
Guatemala	Quetzal	2.2165
Guinea Republic	Sily	42.15
Guinea Bissau	Peso	76.10
Guyana (S)	Guyanese $	5.6620
Haiti	Gourd	11.08
Honduras Repub	Lempira	4.4600
Hong Kong (S)	H.K. $	11.0086
Hungary	Forint	(com) 72.83
		(T/nc) 46.47
Iceland (S)	I. Krona	915.0
India (S)	Ind. Rupee	18.075
Indonesia	Rupiah	1,385.3
Iran	Rial	n/a
Iraq	Iraq Dinar	0.6561
Irish Republic (K)	Irish £	1.0850
Israel	Shekel	8.7500
Italy	Lira	1,859.5
Ivory Coast	C.F.A. Franc	467.575
Jamaica (S)	Jamaica Dollar	3.9530
Japan	Yen	548.0
Jordan (S)	Jordan Dinar	0.650 (sg)
Kampuchea	Riel	2,659.8
Kenya (S)	Kenya Shilling	16.57
Kiribati	Australian $	2.0265
Korea (Nth)	Won	1.974 (II)
Korea (Sth)	Won	1,293.05
Kuwait (Sth)	Kuwait Dina	0.611
Laos	Kip Pot Po	886.60
Lebanon	Lebanese £	7.4110
Lesotho	S. African Rand	1.7925
Liberia	Liberian $	2.2165
Libya	Libyan Dinar	0.6660
Liechtenstein	Swiss Franc	3.8475
Luxembourg	Lux Franc	65.20
Macao	Pataca	11.40
Madeira	Portug'se Escudo	108.65
Malagasy Republic	MG Franc	467.575
Malawi (S)	Kwacha	1.61
Malaysia (S)	Ringgit	4.8775
Maldive Islands (S)	Mal Rupee	8.7110
Mali Republic	Mali Franc	937.75
Malta (S)	Maltese £	0.785
Martinique	Local Franc	9.775
Mauritania	Ouguiya ‡	92.75
Mauritius (S)	M. Rupee	17.10
Mexico	Mexican Peso	50.59
Miquelon	C.F.A. Franc	467.675
Monaco	French Franc	9.3775
Mongolia	Tugrik	(p) 6.5742 (II)
Montserrat	E. Caribbean $	6.00
Morocco	Dirham	8.55 (sg)
Mozambique	Moz. Escudo	66.90
Nauru	Australian Dollar	2.0265
Nepal	Nepalese Rupee	26.60
Netherlands	Guilder	4.375
Netherland Antilles	Antillian Guilder	3.9675
New Hebrides	Franc	146.95
	Aust. Dollar	2.0865
New Zealand (S)	N. Z. Dollar	2.3035
Nicaragua	Cordoba	22.17
Niger Republic	C. F. A. Franc	467.579
Nigeria (S)	Naira	1.242880 (sg)
Norway	Norway Krone	11.1126
Oman Sultanate of (S)	Rial Omani	0.765
Pakistan	Pakistan Rupee	21.85
Panama	Balboa	2.2165
Papua N. Guinea (S)	Kina	1.5480
Paraguay	Guarani	278.71
Peoples D. Repub. of Yemen (S)	S. Yemen Dinar	(A) 0.7570
Peru	Sol	exc (A) 577.76
Philippines	Philippine Peso	16.10
Pitcairn Islands (S)	£ Sterling	—
	New Zealand $	2.3036
Poland	Zloty	(Cm) 66.85
		(T) 68.85
Portugal	Portugu'se Escudo	108.65
Port Timor	Timor Escudo	108.65
Puerto Rico	U.S. $	2.2165
Qatar (S)	Qatar Ryal	8.15
Reunion Ile de la	French Franc	9.3775
Rhodesia	Rhodesian $	1.4550
Romania	Leu	(Cm) 10.03
		(c/c) 26.93
Rwanda	Rwanda Franc	211.34
St. Christopher (S)	E. Caribbean $	6.00
St. Helena	St. Helena £	1.0
St. Lucia	E. Caribbean $	6.00
St. Pierre	Local Franc	9.3775
St. Vincent (S)	E. Caribbean $	6.00
Salvador El	Colon	5.54
Samoa American	U.S. $	2.2165
San Marino	Italian Lire	1,859.5
Sao To'e & Principe	Dobra	78.40
Saudi Arabia	Ryal	7.40
Senegal	C.F.A. Franc	467.575
Seychelles	S. Rupee	14.25
Sierra Leone (S)	Leone	2.3594
Singapore (S)	Singapore $	4.8570
Solomon Islands (S)	Solomon Is. $	1.9215
Somali Republic	Somali Shilling	(A) 13.85
South Africa (S)	Rand	1.7925
South West African Territories (S)	S. A. Rand	1.7926
Spain	Peseta	149.85
Spanish ports in North Africa	Peseta	149.86
Sri Lanka (S)	S. L. Rupee	34.25
Sudan Republic	Sudan £ ф	n/a
Surinam	S. Guilder	3.9675
Swaziland (S)	Lilangeni	1.7925
Sweden	S. Krona	9.505
Switzerland	Swiss Franc	3.8475
Syria	Syria £	(A) 8.7025
Taiwan	New Taiwan	(P) 79.80
Tanzania (S)	Tan. Shilling	18.10
Thailand	Baht	45.10
Togo Republic	C.F.A. Franc	467.575
Tonga Islands (S)	Pa'anga	2.0265
Trinidad (S)	Trinidad & Tob. $	5.3915
Tunisia	Tunisian Dinar	0.880 (SG)
Turkey	Turkish Lira	158.40
Turks & Caicos	U.S. $	2.2165
Tuvalu	Australian $	2.0265
Uganda (S)	Uganda Shilling	16.57
United States	U.S. Dollar	2.2165
Uruguay	Uruguay Peso	(cm) 19.03
		(fn) 18.99
Utd. Arab Emirates	U.A.E. Dirham	8.30
U.S.S.R.	Rouble	1.4792
Upper Volta	C.F.A. Franc	467.576
Vatican	Italian Lire	1,859.5
Venezuela	Bolivar	9.52
Vietnam	Dong	(O) 4.8320
		(T) 4.834 (II)
Virgin Islands U.S.	U.S. Dollar	2.2165
Western Samoa (S)	Samoan Tala	2.0195
Yemen	Ryal	10.06 (SG)
Yugoslavia	New Y Dinar	45.5823
Zaire Republic	Zaire	6.490063
Zambia	Kwacha	1.76

*That part of the French community in Africa formerly French West Africa or French Equatorial Africa. †Rupees per pound. ‡General rates of oil and iron exports 93.10. **Rate is the transfer market (controlled). ††Rate is now based on 2 Barbados $ to the dollar. ‡‡Now one official rate. (U) Unified rate. Applicable on all transactions except countries having a bilateral agreement with Egypt, and who are not members of IMF. (II) Based on gross rates against Russian rouble. ф Incentive rate.

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one-month 17.95-18.05 per cent; three-months 16.45-16.55 per cent; six-months 16.45-16.55 per cent; one year 17.50-17.60 per cent.

Mar. 10	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
Short term	16½-17	15½-16½	8½-9½	10⅝-10⅞	4¼-4½	7½-7¾	13⅛-13¼	13-15	—	8-10
7 days' notice	17¼-17¾	16½-16½	8½-9½	10⅝-10⅞	4⅜-4⅝	7⅞-8	13-13½	15-16	17-17½	11½-12
Month	18⅛-18⅜	18-18½	13½-13⅞	11⅛-11½	5¼-5⅝	8¼-8½	13⅛-13½	18-18½	18-18½	13½-13⅞
Three months	18⅜-18⅝	18¼-18¾	14⅞-15	12-12¼	6⅜-6⅝	8¾-9⅛	14⅛-14⅜	20½-21	18⅛-18⅜	14-14½
Six months	18½-19	18⅞-19⅛	14⅞-15⅛	12⅛-12⅜	6⅜-6⅞	9⅛-9⅜	15⅛-15⅜	21¼-21¾	18⅛-18⅜	13⅞-14
One year	18-18½	17½-17¾	14⅞-15⅛	12⅜-12⅞	6⅛-6⅜	9⅛-9⅜	15⅛-15⅜	21-22	17⅛-17⅜	13-13½

Long-term Eurodollar two years 16⅛-16⅜ per cent; three years 15⅞-16 per cent; four years 15⅜-15⅝ per cent; five years 15-15⅛ per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen; others two-days' notice. Asian rates are closing rates in Singapore.

EXCHANGE CROSS RATES

Mar. 10	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.217	4.013	549.0	9.376	3.848	4.398	1860.	2.579	65.20
U.S. Dollar	0.451	1.	1.810	247.7	4.231	1.736	1.984	838.9	1.164	29.42
Deutschemark	0.249	0.552	1.	136.8	2.337	0.959	1.096	463.4	0.643	16.25
Japanese Yen 1,000	1.621	4.037	7.309	1000.	17.08	7.008	8.010	3387.	4.698	118.8
French Franc 10	1.066	2.364	4.279	585.4	10.	4.103	4.689	1983.	2.750	69.53
Swiss Franc	0.260	0.576	1.045	142.7	2.437	1.	1.143	483.5	0.670	16.95
Dutch Guilder	0.227	0.504	0.912	124.8	2.132	0.875	1.	423.9	0.586	14.83
Italian Lira, 1,000	0.536	1.192	2.158	295.2	5.045	2.069	2.365	1000.	1.387	35.06
Canadian Dollar	0.388	0.859	1.556	212.9	3.636	1.492	1.705	721.0	1.	25.28
Belgian Franc 100	1.534	3.400	6.154	842.0	14.38	5.901	6.745	2852.	3.956	100.

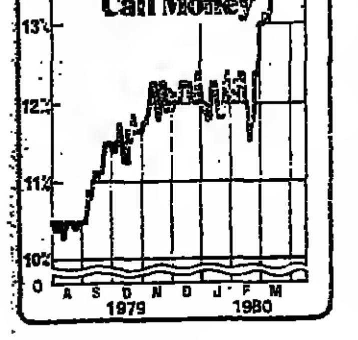
INTERNATIONAL MONEY MARKET

Paris rates firm

Paris call money rose to 13⅞ per cent from 13⅝ per cent yesterday, the highest level since October 1974, but the increase was largely the result of technical factors following the reimbursement to the Bank of France of FFr 3bn and a drawing of FFr 1bn by the French Treasury. Market liquidity has tightened in the absence of more funds from the central bank. Yesterday the authorities auctioned FFr 2.4bn of one year Treasury bills.

In Amsterdam the Nederlandsche Bank will maintain a tight credit policy according to the president of the central bank. In an effort to control inflation no change is contemplated by the authorities despite the strength of the guilder in the European Monetary System. Finance for the Government's expected deficit of around Fl16m is expected to increase pressure on the domestic money market later this year, but measures to restrain spending were extended by Friday's continuation of the national wage freeze. In the Dutch money market call money was little changed at 10¾-10⅞ per cent while one-month and three-month funds declined and six-month money was unchanged.

In Hong Kong the Hongkong and Shanghai Banking Corporation and the Chartered Bank have increased their prime lending rates by 1½ per cent to 16 per cent. The last increase was also by 1½ per cent on August 18. The interest rates sub committee of the Exchange Banks Association increased deposit rates paid by local banks.



GOLD

Sharp fall

Gold fell to its lowest level since early January in the London bullion market yesterday, losing $28 an ounce to $585-588. The metal opened at $605-610 and as selling pressure developed, so the metal fell below the $600 level. With the opening of centres in the U.S., the selling trend was continued, and just after noon, New York time, gold was quoted even lower at $566-569.

In Paris the 12½ kilo bar was fixed at FFr 82,250 per kilo ($6/5.71 per ounce) compared with FFr 82,250 ($606.75) in the morning and FFr 83,000 ($613.27) on Friday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 34,830 per kilo ($601.53 per ounce) against DM 34,930 ($604.53) previously.

	Mar. 10		Mar. 7	
Gold Bullion (fine ounce)				
Close	$585-588	(£263-265½)	$611-616	(£274½-276½)
Opening	$605-610	(£272-274½)	$615-620	(£276½-276½)
Morning fixing	$602	(£271.135)	$602.25	(£270.735)
Afternoon fixing	$585	(£265.395)	$609	(£275.565)
Gold Coins				
Krugerrand	$587-590	(£264½-266½)	$615-620	(£276-279)
Mapleleaf	$585-590	(£261½-266½)	$510-620	(£274-279)
New Sovereigns	$149-151	(£67-69)	$158½-157½	(£70½-71½)
King Sovs	$172-174	(£77½-79½)	$177½-179½	(£79½-81½)
Victoria Sovs	$172-174	(£77½-79½)	$178½-180½	(£80-83)
French 20s	$142-145		$145½-148½	
50 pesos Mexico	$733-743		$760-770	
100 Cor. Austria	$670-680		$590-600	
$20 Eagles	$730-735		$745-750	
$10 Eagles	—		—	
$5 Eagles	—			

UK MONEY MARKET

Moderate help

Bank of England Minimum Lending Rate 17 per cent (since November 15, 1979)

Day-to-day credit was in short supply in the London money market yesterday, and the authorities gave moderate assistance by buying a moderate amount of Treasury bills and a small number of local authority bills from the discount houses and banks.

Banks brought forward small surplus balances and the market was also helped by a small excess of Government disbursements over revenue payments to the Exchequer. On the other hand the market was faced with the unwinding of repurchase agreements on a moderate amount of eligible bank bills and Treasury bills, and a moderate net take-up of Treasury bills.

Discount houses paid around 16½ per cent for secured call loans in the early part, and money commanded 14-17 per cent, before closing around 15½-16½ per cent.

In the interbank market overnight loans opened at 15½-17½ per cent and touched 17½ per cent but fell to 10-15 per cent in the afternoon, before closing at about 18 per cent.

Rates in the table below are nominal in some cases.

LONDON MONEY RATES

Mar. 10 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	10-18	—	—	—	16½-17½	14-17	—	—	—
2 days notice	—	—	17⅝-17⅞	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	17-17½	17¾-18	—	18¼	17¾-17⅞	16¾-16⅞	—	—	—
One month	18⅛-17⅞	17¾-18	17⅞-18	19⅛-19⅛	18¼	18⅛-18⅜	16⅞	15⅞	18	18½
Two months	16⅞-17⅛	17⅞-18		19-18½	18¼	—	16⅝-16⅝	16	17	16½
Three months	18⅛-17⅞	17⅞-18½	18½-18¼	18½-18⅛	18½	18½-18½	16½-16⅝	15⅞	17	16½
Six months	17⅛-17⅜	17-17½	17½-17⅞	17⅝-17⅞	17¾	18	—	—	15⅞-16½	16⅝
Nine months	16⅞-16⅞	16⅞-17⅛	—	17⅛-16⅞	17½	—	—	—	—	—
One Year	16⅞-16⅞	16⅞-16⅞	17½-17½	16⅞-16⅞	17⅛	—	—	—	—	—
Two years	—	—	16½-16⅞	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 16¼-16½ per cent; four years 16¼-16½ per cent; five years [illegible] per cent. Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 17½ per cent; four-month trade bills 17¾ per cent. [illegible]

Finance Houses Base Rates (published by the Finance Houses Association) 18 per cent from March 1, 1980. Clearing Bank Deposit Rates for sums at seven days' notice 15 per cent. Clearing Bank Rates for lending 17 per cent. Treasury Bills: Average tender rates of discount 16.4211 per cent.

MONEY RATES

NEW YORK

Prime Rate	17¼-18
Fed. Funds	16-16¼
Treasury Bills (13-week)	15.35
Treasury Bills (26-week)	15.02

GERMANY

Discount Rate	7
Overnight Rate	8.75
One month	9.20
Three months	9.40
Six months	9.70

FRANCE

Discount Rate	9.5
Overnight Rate	13.375
One month	13.5625
Three months	14.0625
Six months	14.0625

JAPAN

Discount Rate	7.25
Call (Unconditional)	8.5
Bills Discount (three-month)	13

NORTH AMERICAN NEWS

Ericsson and Arco link in telecommunications move

BY VICTOR KAYFETZ IN STOCKHOLM

L. M. ERICSSON of Sweden and and Atlantic Richfield of the U.S. are forming a new company, Aoacooda-Ericsson, to make and sell wire and cable products aod telecommunications equipment in the U.S. and several other countries.

The new company, to be owned 50-50 by Ericsson and Arco's Anaconda subsidiary, is part of Ericsson's effort to enlarge its tiny share of the U.S. market for cables and subscriber exchanges, and will give the American-based oil company access to Ericsson's telecommunications expertise.

Anaconda-Ericsson, which is to have its head office in Greenwich, Connecticut, will have a share capital of $210m and an estimated 1980 turnover of $800m. The company will have nearly 9,000 employees, including 3,800 in the U.S.

Its operations will include those of the power and telephone cable units and the Anaheim aod Garden Grove telecommunications facilities of Anaconda's wire and cable division, as well as Anaconda's wire and cable interests in Brazil, Mexico and Saudi Arabia. It will also include Ericsson's telecommunications marketing operatioos in the U.S. and Canada, and its wire and cable interests in Argentina, Brazil, Colombia and Mexico.

The telecommunications activities of the new company will be operated as a separate wholly-owned subsidiary called Anaconda-Ericsson Telecommunications.

Mr. Bjoern Svedberg, Ericsson's managing director, said yesterday in Stockholm that the agreement was part of an effort by the Swedish multinational to enlarge its business in the US, which contributed only about $30m to the 1978 group turnover of slightly more than $2bn. Ericsson will also benefit from greater proximity to American research in such fields as fibre optics and business telephone exchanges.

Mr. Svedberg said the deal also reflects Ericsson's desire to encourage expansion of other sectors besides public switching systems which, in 1978, accounted for 50 per cent of group turnover, not least due to the success of the AXE all-electronic telephone exchange. Subscriber equipmeot and the cable, wire and network equipment sector each accounted for 13 per cent of Ericsson's sales in that year.

Anaconda-Ericsson will manufacture power and telephone cables at 11 factories throughout the U.S., and telecommunications equipment at two plants in California.

Its cable operations in other countries will comprise a 49 per cent interest in Latincasa and a 20 per cent stake in Condumex, both in Mexico, and 96 per cent of Facomec in Colombia. It will include 100 per cent of IEQ in Argentina and 20 per cent of the Saudi Cables Company of Saudi Arabia. In Brazil, it will combine the 46 per cent stake which Ericsson and Anaconda each currently have in FICAP.

CPI plans C$34m foreign issue

BY JOHN MAKINSON

CANADIAN PACIFIC Investments (CPI), the holding company for the non-transport interests of the Canadian Pacific group, is making a private placement of around 750,000 shares outside North America.

At the current Toronto market price of C$45¼, the issue would raise about C$34m. The price and precise size of the issue will be fixed according to market conditions on March 19. The offering reflects CPI's strategy of strengthening its international base, and will be followed by a listing of all the company's shares on the London and Amsterdam Stock Exchanges.

Wood Gundy and Pierson, are agents for the issue, which is not being underwritten. CPI which is 75.3 per cent owned by Canadian Pacific, currently has listings on the Toronto, Montreal and Vancouver Exchanges. Its consolidated net income last year was C$430m, producing earnings per sharsof C$6.71.

The offer is not being underwritten to ensure a direct international placement and to prevent the shares from returning to North America through arbitrage dealings. The issue will be priced close to the Toronto market quotation.

Bright outlook for U.S. paper industry

BY OUR NEW YORK STAFF

STRONG DEMAND at home and abroad produced a sharp increase in profitability in the U.S. paper industry last year, and the outlook remains bright despite record interest rates and economic uncertainties. That was the message yesterday from the American Paper Institute at the start of its national convention in New York.

Federal Trade Commission figures show that sales by paper and allied product companies last year increased by 13.4 per cent to $55.5bn, while earnings on continuing operations were ahead by 22 per cent.

Mr. Louis Laun, the Institute's president, said that, in the first two months of this year, the industry's production rate had risen to an annual equivalent of 66m tons, compared with the record 64.9m tons produced last year.

There had been some increase in stocks held by manufacturers and distributors, but these had still not reached excessive levels, he said. In the paper and paperboard sector, supply was in line with consumption.

This suggested a good level of operation for the industry in at least the first half of the year. Even beyond that point, "a sudden and strong contraction in demand does not seem to be a major probability."

Last year was also a good one for the U.S. balance of trade in paper products. Imports, restrained by some supply problems from Canadian newsprint producers, were stable, but exports of paper and paperboard rose by 8.9 per cent to 3.67m tons. Container board accounted for almost half the tonnage exported.

The industry's optimism is also reflected in its capital spending plans. Together, the companies are expected to spend $6bn this year, 20 per cent up on last year. About half of this relates to capacity expansion.

WESTINGHOUSE $1bn ANTI-TRUST CHARGE

Cartel case back on course after diversion

BY PAUL CHEESERIGHT

THE MULTI-MILLION dollar damages case brought by Westinghouse Electric against 29 U.S. and foreign uranium producers in a Chicago court is now set to trundle forward after a diversion into an appeals court. The case will be heard in September, 1981.

The main action revolves around a charge by Westinghouse, the leading U.S. nuclear plant manufacturer and an important middleman in the international uranium market, that the producers conspired to fix prices and hold back supplies from the market in 1972-75.

Westinghouse is essentially charging the producers with operating a cartel in breach of U.S. anti-trust laws, despite the fact that the alleged cartel operated only outside the U.S. and that the U.S. market was, in any case, closed to them by an official imports embargo.

But the case is not as simple as that because foreign producers in the U.K., Australia, Canada and South Africa, including companies in the Rio Tinto-Zinc group, have refused, with Government backing, to accept the jurisdiction of the Chicago court. It is this refusal which caused the diversion into an appeals court.

Judge Prentice Marshall at the Chicago court held these producers to be in default. He then proposed to hold a damages hearing against the defaulting defendants. This prompted the move to the appeals court to decide whether he had the power to do this without hearing the main body of evidence on the case first.

Government support

The defaulters had the support of their governments. "If RT-Z were to face severe financial difficulties, or even a significant reduction in its level of activity," said a UK Government submission to the court, "this could have major adverse economic consequences for the UK."

The Government invoked the Frow doctrine, the result of a U.S. Supreme Court decision in 1872: "It would be incongruous and manifestly unfair to briog about a result whereby some of the defendants are saddled with crushing damage awards when the facts later adduced may well establish that the plaintiff's case (Westinghouse's case) was without merit."

The appeals court rejected application of the Frow doctrine. It savaged the UK and other governments, calling them "subservient" to the companies which had "contumaciously" refused to appear in the Chicago court and charged them with being "surrogates." It upheld Judge Prentice Marshall's right to classify the non-appearing defendants as defaulters.

But, behind the appeals court's vigour of expression, there was, as it turned out, a judgment largely what the defendants wanted. On February 15 the the court offered Westinghouse two choices.

The first was that Westinghouse should pursue the damages case against the defaulting defendants and abandon its case against the appearing—U.S.—defendants. The second was that Westinghouse should as the court put it, "proceed to the merits of the entire claim."

Westinghouse decided on the second course. "Your strategy is to proceed with the main case," said an official.

Positions intact

The decision has left the appearing defendants with their defence against Westinghouse unprejudiced. It has left the defaulting defendants with their positions intact. "Our position after the appeal is basically the same as it was before the appeal," noted RT-Z.

But what has changed since 1976 — when Westinghouse, legally embattled with 27 utilities and, short of 65m pounds of uranium, seized on the cartel defence and started the Chicago action—has been the stiffer attitude of foreign governments.

This showed in the way they backed the companies in the appeals court. It has been evident in the way they have taken action to protect the companies from having to produce documents and evidence for the Chicago court. And, in the UK, it has been most clearly marked by the Protection of Trading Interests Bill.

This Bill has now passed through both Houses, and this week is back in the Commons again with amendments from the Lords. By the time the main Chicago case starts, it will be law, bringing with it a warning for Westinghouse.

Whatever assets Westinghouse may seize from RT-Z as a result of a successful triple damages claim in the U.S., RT-Z may seek to regain from Westinghouse assets in the UK, through the UK courts. If the Westinghouse case has demonstrated nothing else, it is that foreign governments are tired of U.S. attempts to spread the effects of anti-trust jurisdiction outside U.S. borders.

Credit lines for Uniroyal as it drops dividends

BY IAN HARGREAVES IN NEW YORK

UNIROYAL, the tyre and rubber company which recently announced a $120m loss for 1979, has secured bank credit facilities for the next two years, but only at the cost of agreeing not to pay dividends on its common stock.

The company yesterday announced two separate agreements. The first is for a $150m revolving credit line with a group of 22 banks led by Chemical Bank. The second is a deal with 21 banks, led by Citibank, under which Uniroyal will obtain up to $100m through the sale of domestic accounts receivable.

The agreements will cover the periods to June 1982 and April 1982 respectively. During that time, Uniroyal may pay dividends on preferred stock, if earned, but cannot pay a common dividend.

Last year, Uniroyal announced the closure and sale of several facilities in Europe and the U.S. in an attempt to eliminate heavy losses on its tyre business and to shift more of the company's interests into chemicals.

Strike hits Allis-Chalmers

BY OUR FINANCIAL STAFF

FIRST QUARTER net profits of Allis-Chalmers will be seriously affected by strike action, according to Mr. David Scott, chairman. The farm machinery group earned $1.75 per share in the corresponding quarter of last year.

The strike, by 3,000 members of the United Auto Workers union employed in company plants at La Porte, Indiana, and West Allis, Wisconsin, has halted the production of farm implements, processing equipment and farm tractors for two weeks. Earlier, the company lost two days' worth of combines production through a strike at its Independence, Missouri, operation.

The current dispute is over a three-year agreement, and talks are continuing. The last contract expired on November 1, and was extended until two weeks ago.

The warning of a cutback in profits follows a statement earlier this year that Allis-Chalmers' eight consecutive years of earnings growth would probably be interrupted in 1980, after a 7 per cent gain in 1970 to $81.4m or $6.23 per share on sales of $2bn.

Sharon Steel may pay more

MIAMI — The management of Sharon Steel, which is headed by Mr. Victor Posner, and controlled by NVF Corporation, plans to recommend to its Board an increase in the quarterly cash dividend from 7½ cents to 8 cents a share. Sharon said it would also eliminate its semi-annual 10 per cent stock dividend in future.

The company, as planned, declared a 7½ cents quarterly cash dividend, payable March 31, and a 10 per cent stock dividend, payable April 3, both to shareholders registered on March 17. Reuter.

Insurance deal

Corroon and Black has agreed to acquire two insurance companies, Puritan Agency and William A. Prew, for an undisclosed amount, Reuter reports from New York.

AMERICAN QUARTERLIES

COMMONWEALTH OIL

	1979 $	1978 $
Fourth quarter		
Revenue	318.5m	234.9m
Net profits	†1.2m	†53.2m
Net per share	†0.10	†3.58
Year		
Revenue	1.21bn	930.7m
Net profits	81.3m	†53.2m
Net per share	5.32	†3.70

† Loss

FOXBORO

	1979 $	1978 $
Fourth quarter		
Revenue	131.4m	111.6m
Net profits	7.23m	8.9m
Net per share	0.87	1.20
Year		
Revenue	471.6m	395.7m
Net profits	33.71m	32.48m
Net per share	4.07	3.96

HANDY AND HARMAN

	1978 $	1979 $
Fourth quarter		
Revenue	172.8m	124.7m
Net profits	3.34m	3.33m
Net per share	0.49	0.49
Year		
Revenue	630.9m	468.0m
Net profits	13.78m	12.82m
Net per share	2.03	1.91

HOUSTON NATURAL GAS

	1980 $	1979 $
Six months		
Revenue	1.15bn	786.9m
Net profits	92.57m	58.81m
Net per share	2.39	1.52
Year		
Revenue	2.16bn	1.56bn
Net profits	169.87m	121.79m
Net per share	4.39	9.13

RANGER OIL CANADA

	1979 $	1978 $
Year		
Revenue	70.0m	9.5m
Net profits	10.94m	†3.77m
Net per share	0.37	†0.22

† Loss

SANTA FE INTERNATIONAL

	1979 $	1978 $
Fourth quarter		
Revenue	137.3m	137.2m
Net profits	14.01m	7.69m
Net per share	0.66	0.36
Year		
Revenue	535.1m	547.6m
Net profits	18.51m	53.58m
Net per share	0.78	2.56

INTERNATIONAL BONDS

Small gains for dollar issues

BY OUR EUROMARKETS STAFF

DOLLAR Eurobonds managed gains of about ⅛ points on average yesterday, while prices of both Swiss franc and Deutsche-mark bonds declined in what by now has become a familiar pattern.

The dollar sector gains came on an absence of selling rather than any genuine demand. Trading was described as very thin, as the market awaits details of President Carter's forthcoming anti-inflation package.

With no date yet set for the unveiling of the new measures, the market remains in limbo. Meanwhile, dealers said that the market was also receiving some modest support from the continued strength of the dollar in Europe and the fractional easing of Euro-deposit rates in some periods yesterday.

In the D-Mark sector, another issue was postponed yesterday. This was a DM 100m loan by a Japanese borrower scheduled to be brought to the market by Westdeutsche Landesbank.

Traders said that any new issue would have to carry a coupon of at least 9½ per cent and they doubted the readiness of borrowers to pay such rates.

In the secondary market, prices fell by an average ½ per cent. The City of Oslo 8¾ per cent bonds floated last week were indicated at about three to four points below their 99½ per cent issue price.

Prices of Swiss franc bonds shed about one point in light trading. The major Swiss banks are now slowing the pace of new issues and so far none are planned for this week from the large syndicates.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Closing prices on March 10

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
Alcoa of Australia 10 89	60	77¾	78¼	+0⅛	−0½	14.45
Alex Howden XW 8½ 91	30	†70	72	0	0	14.96
Australian Res. 9⅞ 84	30	83⅝	84¼	0	−0⅛	14.83
Avco O/S Cap. 10¼ 87	40	75¾	76⅜	+0¼	+1⅞	16.06
Beneficial Fin. 9¾ 87	100	78½	79	+0⅛	−1⅛	14.62
CECA Grad. Rate 12 86	100	88½	89¼	+0½	−1	14.67
CECA 11⅛ 90	50	83¼	84	+0⅛	−0½	14.88
Canadian Pacific 9¾ 89	50	78¼	78¾	+0¼	+0⅝	14.04
Carter Hawley 9¾ 86	50	80¼	80¾	+0¼	−0⅜	14.70
Comalco Inv. E. 10¼ 91	40	77⅛	77⅝	−0⅛	−0⅝	14.35
Continental Grp. 9⅜ 86	100	79¾	80¼	−0⅛	−0⅛	14.66
Dome Petroleum 10 94	50	73½	74	+0⅛	+0⅞	14.39
Dominion Bridge 10¼ 84	30	86⅞	87⅜	0	−0½	14.46
EIB 11¾ 92	80	82⅜	82⅞	+0⅛	+0⅛	14.94
EIB 10⅛ 87	100	†81	82	+0⅛	−1	14.92
EIB 10.15 99	100	†71⅝	73⅛	−0⅛	−1⅛	14.96
Ekportfin 11¼ 87	50	86⅛	87	+0⅛	−0⅛	10.40
Export Dv. Cpn. 9¼ 84	100	83⅞	84⅜	+0⅛	−0⅛	14.81
Export Dv. Cpn 9¾ 84	150	83⅞	84⅜	0	−1	14.79
Finland 9¾ 89	100	†74	76	0	−0½	15.15
ITT Finance 9¾ 89	55	77	77½	+0⅛	−0⅜	14.29
GMAC 9⅞ 86	100	79¾	80¼	+0⅛	−0½	14.26
GMAC O/S Fin. 11 84	100	88⅞	89¼	+0⅛	−1⅛	14.30
Gould Intl. Fin. 9¾ 85	50	83¼	83¾	+0⅛	−1⅛	14.64
ITT Antilles 9½ 89	75	74¼	74¾	0	−0½	14.74
Kennecott Int. 9⅞ 86	100	78	78½	+0⅛	0	15.13
Manitoba 9½ 89	75	76⅞	77⅜	+0⅛	−0⅛	14.14
Michelin 10 94	125	71½	72	−0⅛	−0⅛	14.82
Nat. Des. Telecm. 9½ 86	100	79⅞	80⅜	+0⅛	−0⅞	14.51
New Brunswick 9¾ 94	75	72½	73	+0⅛	−0⅛	14.37
Newfoundland 10 84	50	72⅜	72⅞	+0¼	+0½	14.72
Norges Komm. 9⅞ 93	100	†70	70½	−1	−2⅛	15.01
Norway 9½ 84	150	84⅞	85⅜	+0⅛	−0½	14.59
Nova Scotia Pwr. 9¾ 89	50	77	77½	+0⅛	+0⅛	14.34
Occidental Fin. 10¼ 94	50	†86¾	87¼	+0⅛	+1	14.54
Orient Leasing 9½ 89	25	†77	77⅛	−1	−1⅛	15.34
Pennwalt O/S F. 9¾ 84	25	83½	84	+0⅛	−0½	15.20
Pepsico Cap. 9⅞ 84	100	84⅞	85⅜	−0⅛	+1⅛	14.52
Quebec Hydro 10 99	75	70½	71	+1	+2¼	14.59
Sears Roebuck 8 82	150	89⅜	89⅞	+0¼	−1⅛	15.78
Statoil 8⅞ 89	100	77⅜	77⅞	+0⅛	+0⅛	14.02
Sweden 9¾ 89	100	78	78½	+0⅛	+0⅛	14.11
Sweden 8⅞ 86	200	†80⅛	81½	−0⅛	−0⅛	14.77
Sweden 9¾ 84	100	84⅞	85⅜	+0⅛	−0⅛	14.57
Unilever NV 9¼ 87	100	78¼	78¾	+0⅛	0	14.11
Warner-Lambert 9 94	100	82⅞	83⅜	+0⅛	−1⅛	14.48

Average price changes. On day +0⅛ on week −0⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
African Dev. Bk. 8 87	100	92¾	93⅛	0	−2¼	8.28
Asian Dev. Bk. 7¾ 89	100	83½	84½	−0⅛	−2½	9.93
Australia 8⅛ 90	250	95⅞	96⅜	−0½	−2¼	8.70
Barclays O'seas 6¾ 88	100	82	83	−0⅛	−1⅛	9.72
BFCE 7¼ 87	100	89¼	90	−0⅛	−3¼	8.90
BFCE 8½ 95	100	86½	87¼	−0⅛	−4	9.84
Brazil 8 87	150	85⅞	86⅜	+0⅞	−1	10.77
CECA 7 91	150	84⅞	85⅜	−0⅛	−1⅛	8.17
Council of Eur. 7⅛ 89	100	87⅝	88⅛	−0½	−1½	9.24
Denmark 7⅞ 88	100	90¾	91¼	−0⅛	−1⅞	10.02
Denmark 8⅛ 92	100	89⅜	90⅛	+0⅛	−2⅞	9.74
EEC 7⅞ 94	225	86⅞	87⅜	−0⅛	−1⅞	8.64
EIB 7½ 89	200	86⅞	87⅜	−0⅛	−3¼	8.51
Finland Rep. of 8 89	150	89⅝	90⅜	−0⅛	−2⅛	10.10
Kobe, City of 7⅛ 89	150	82¼	82⅞	−0⅛	−3¼	10.04
Neder. Gasunie 8 86	100	91½	92¼	0	−1	9.60
New Zealand 7⅛ 87	200	85⅝	88⅛	−0½	−3⅛	8.89
Norges Komm. 7¾ 91	150	85⅝	86⅜	0	−0⅞	9.34
Norway 7½ 85	250	91½	92½	+0½	−1⅞	9.63
OKB 6 87	40	82⅞	83⅞	−0⅛	−3⅛	9.38
OKB 7⅛ 89	100	85⅛	86⅞	0	−1	9.60
World Bank 7¾ 91	400	85	85¾	−0⅛	−2½	9.78
World Bank 7⅞ 90	250	88⅛	88⅞	−0⅛	−3½	9.74

Average price changes... On day −0¼ on week −2⅛

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
Argentina 5½ 89	80	81½	82	−2½	−2½	8.39
Aumar 5 89	60	80¼	80¾	−0⅛	−0⅛	8.05
Australia 3⅝ 89	250	81¼	81¾	−1¼	+0⅛	8.42
Bergen, City of 4¾ 91	40	83	84	0	−0⅛	8.89
BNDE 5 89	75	76¼	77	−0⅛	−0⅝	8.75
BMW Overseas 4¾ 91	100	81⅛	81⅝	−1⅞	−1⅛	8.58
Caisse Nat. Tele. 4⅜ 89	100	83¼	84	−0⅝	−1⅛	8.77
Canada 3⅞ 89	300	81½	82	−0⅛	+0⅛	8.34
CCCE 5¾ 90	100	96¼	96½	—	—	6.27
Copenhagen 4½ 91	60	81½	82½	−2⅛	−3⅛	6.81
Council of Eur. 5 89	100	84⅜	84⅞	−0⅛	−0⅛	7.26
EIB 4½ 91	100	80	80½	−1½	−5⅞	7.10
EIB 4⅞ 94	100	75	75⅜	−1⅛	−2¼	7.18
Elec. de France 4⅛ 89	100	85	85½	−2	−0½	8.52
GZB 4¼ 89	100	81	81¾	−0⅛	+0⅛	6.97
Hilti 4½ 91	35	83	84	−0½	−5	6.29
Int.-Amer. Dev. 4½ 89	100	75¾	76½	−0⅛	−2⅛	8.24
Jutland Tele. 5½ 90	50	92	93	−0⅛	−1	6.55
Malaysia 5 89	80	84¾	85½	−0⅛	−0⅛	7.19
Nippon Tel. & T. 4¾ 89	100	85	86	−0⅛	−2⅛	6.31
Nordic Bank 5 89	45	83⅜	83⅞	−1⅞	−2⅛	7.49
Norges Komm. 4⅜ 91	100	79¾	80½	−1⅛	−1¼	6.92
OKB 3⅞ 91	100	72½	73½	−2⅛	−4⅛	7.42
OKB 4⅞ 91	100	†79¾	79¾	−0⅛	−0⅛	7.01
Oslo, City of 4⅜ 91	100	78½	79½	−0⅛	−0⅛	7.08
Shikoku El. Pwr. 4¾ 89	100	84	84½	−1⅛	−3	7.07
Stewag 4¾ 81	60	83	83½	−0⅛	−0⅛	8.91
Voest-Alpine 4¼ 89	90	83¼	83¾	0	0	7.26
World Bank 4⅝ 89	100	82	82¾	−1⅞	−6⅛	7.27
World Bank 4⅜ 89	150	80	80½	−0⅛	−3¼	7.32
World Bank 4⅝ 91	100	80½	81⅛	−1⅞	−2⅜	7.08

Average price changes... On day −1 on week −1⅜

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
Australia 5.6 83	30	83	84	−1⅞	−1	11.42
Australia 6½ 88	20	76½	77½	−1⅜	−4½	10.88
EIB 7⅛ 88	12	85⅛	86⅛	−0⅛	−3⅛	10.17
Finland 5.6 83	10	83	84	−0⅛	−2	11.35
Finland 6.8 88	10	79¾	80¼	−0½	−1⅞	10.63

Average price changes... On day −1⅛ on week −2⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	week	Yield
Avco Fin 10¾ 86 C$	25	80⅛	80⅞	−0⅛	−1⅛	15.20
Bell Canada 10¾ 86 C$	60	84½	85	−0⅛	−0⅜	14.46
Cr. Foncier 10⅛ 84 C$	30	84⅞	85⅞	−0¼	−0½	15.06
Ex. Dev. Cpn. 10 84 C$	50	84⅞	85⅜	−1⅛	−2⅛	15.01
Fst. Can. Inv. 10 84 C$	50	84⅞	85⅜	−1⅛	−2⅞	15.10
Hudson Bay 10⅞ 89 C$	60	78¼	78¾	−1⅛	−1⅞	14.96
Quebec 10⅞ 86 C$	50	91⅛	82⅜	−0⅛	+0⅛	14.90
R. Bk. Canada 10 86 C$	40	83⅛	83⅞	0	−0⅛	14.19
R. Bk. Canada 10 84 C$	40	73⅛	73⅝	−0⅛	−1⅛	14.51
Copenhagen 8¾ 91 EUA	20	89⅛	90¼	−0½	−2⅛	10.23
M. Bk. Dnmk. 9 91 EUA	25	92⅛	93½	−0⅛	−1	10.03
SOFTE 8¾ 89 EUA	40	82	83¼	0	−2	11.42
U. Bk. Nrwy. 9½ 90 EUA	16	97½	98½	—	—	9.82
Algemene Bk. 8¼ 84 Fl	75	92¼	92⅞	−0⅛	−0⅛	10.42
Ned. Gasunie 8¾ 84 Fl	50	90¼	91	−0⅛	−0½	11.58
Ned. Middbk. 8¼ 84 Fl	75	90⅛	90⅞	−0⅛	−0⅛	11.24
Norway 8⅛ 84 Fl	100	92	92½	−0⅞	0	10.72
Norway 8½ 84 Fl	100	92½	93	+0⅛	+0⅛	10.29
Philips Lamps 8¾ 84 Fl	75	92¼	92¾	0	0	10.71
Air France 11 84 FFr	120	90	91	0	0	13.92
Euralem 9¾ 87 FFr	150	78⅛	79⅛	0	−0⅛	14.69
Finland 11 84 FFr	80	87⅜	88⅜	−0⅛	−1½	14.72
Finland 11½ 89 FFr	70	86	87	0	+0½	14.12
Gaz de France 11 84 FFr	150	87⅞	88⅜	−1⅛	−2	14.61
IBM France 11⅞ 84 FFr	120	91⅛	92¼	0	−0¼	14.33
Renault 9¾ 85 FFr	100	81¼	82¼	+0⅛	−1⅛	14.81
Saint-Gobain 9½ 86 FFr	130	79¾	81	+0⅛	−0⅞	14.78
Solvay et Cie 9¾ 87 FFr	125	78	79	+0⅛	−0⅛	14.83
Total Oil 9⅛ 87 FFr	150	77⅞	78⅞	0	+0⅛	14.48
Citicorp O/S 13½ 90 £	50	88½	89¼	−0⅛	−2⅛	15.27
EIB 11½ 91 £	25	77⅝	78½	+0⅛	−2⅛	15.73
Finance for Ind. 13 91 £	15	86	87	−0⅛	−4½	15.64
Fin. for Ind 12⅛ 89 £	30	84¼	84⅞	−0⅛	−1⅞	15.74
Gen. Elec. Co. 12½ 89 £	50	85¼	86	−0⅛	−3⅛	15.57
Indonesia 8¾ 91 KD	7	†93	93½	0	0	9.75
Mitsubishi 7½ 84 KD	10	†95⅛	95⅞	−0½	0	8.72
Norges Kom. 7½ 89 KD	12	†93⅛	93⅞	0	0	8.52
Occidental 8¾ 81 KD	7	†90¼	90¾	0	0	9.87
Akzo 9¼ 87 LuxFr	500	89⅜	90⅜	−0⅛	−2⅞	11.28
Euratom 8 87 LuxFr	500	82	83	−3	−4½	11.75
Euratom 9¾ 88 LuxFr	500	92¼	93¼	−2½	−4⅛	11.20
EIB 9¾ 88 LuxFr	600	93¼	94¼	−1⅞	−4⅛	10.96
Volvo 9¾ 87 LuxFr	500	93	94	−1⅞	−2⅞	11.02

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Allied Irish Bk. 5¼ 87	0¼	97	97½	2/7	15⅝	15.55
Banca di Roma Int. 6 87	0¼	98⅛	99	26/4	15¾	15.95
Bank of Ireland 5¼ 89	‡0¼	96⅝	97⅛	21/5	16½	16.68
Bank of Tokyo 5¼ 89	‡0¼	93⅜	97¼	25/4	14.56	15.01
Barclays O/S Inv 5 90	0¼	96	96½	13/6	14⅝	14.81
Bergen Bk. A/S 6 89	‡0¼	96⅞	97⅛	29/5	17⅛	17.81
Bque. Indo Suez 5¼ 89	0¼	97¼	97¾	11/7	14.69	15.06
Citicorp O/S F. 6 94	‡0¼	99	98⅞	8/3	14.44	14.56
Citicorp O/S F. 83	§‡0	99¼	99⅝	23/5	13.06	16.16
Citicorp O/S F. 84	‡0	99¼	99⅝	30/5	16.94	17.02
Co-operative Bk. 6 88	0⅛	97⅝	87⅞	15/5	13.06	15.43
Creditanstalt 5½ 91	§‡0¼	98½	99	14/3	10⅝	15.06
CNT 5¾ 88	§0¼	93	99½	16/4	15.19	15.30
GZB 5½ 89	‡0¼	97⅝	97⅞	1/5	14½	15.02
Jugobanka 8 89	0⅞	82⅞	93½	23/5	16	17.20
Ind. Bank Japan 5¼ 87	0⅛	97⅛	97⅝	15/4	14¼	14.63
LTCB Japan 5¼ 86	0⅛	96⅝	96⅞	13/6	14¼	14.71
LTCB Japan 5½ 89	0⅛	96	96½	7/6	14.18	14.76
Mfrs. Han. O/S 5¼ 94	‡0⅛	98⅛	98⅝	30/5	17⅛	17.41
Midland Intl. Fin. 5 89	0¼	98	98¼	20/6	15	15.27
Nacional Fin. 5¾ 86	0¼	96½	97	25/7	14.69	15.18
Nat West. 5¼ 94	§0¼	97⅛	97⅝	11/4	14.94	15.38
Nippon Credit 6½ 88	0⅛	96⅞	96⅞	12/7	14.44	14.98
Nippon Credit 5¼ 87	‡0⅛	96⅞	97⅛	6/6	14.69	15.12
Royal Bk. Scot. 5¼ 94	§‡0¼	98⅜	98⅝	11/4	14⅝	14.87
Soc. G. de Banq. 6½ 87	0¼	96⅜	96⅞	3/4	13¼	13.71
Sogenal 5½ 89	§0¼	96⅞	96⅞	13/7	14.44	14.98
Standard Chart. 5⅛ 90	0¼	97⅛	98¼	6/9	17⅛	17.60
Sweden 8¼ 91	‡0¼	†96⅞	97⅜	18/4	14.44	14.87
TVO Pwr. 8 91 (O-lock)	0⅛	96¼	96¾	24/5	15.31	15.87
Williams & Glyn 5½ 91	0¼	97⅜	98¼	14/3	13	13.27
Bq. E d'Alg. 4¼ 89 SF	0⅛	91	92	18/6	6.69	7.31

Average price changes ..On day 0 on week −0¼

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
AGA Aktiebolag 7¾ 89	10/79	145	113	114	−1	−8.17
Ajinomoto 7⅛ 95	2/80	618	81⅛	82⅛	−6⅛	−3.78
Alco Int. Fin. 9½ 94	1/80	40	88½	89½	−0⅛	23.44
Asahi Optical 7 94	11/79	605	71⅞	72⅞	−2⅛	−7.76
Canon 6⅝ 94	8/79	570	89⅝	90⅝	−4½	−3.51
Ciba-Geigy O/S F. 4 94	9/79	675	†74½	76½	+0¼	−0.28
Credit Suisse 4⅛ 93	10/79	1325	90⅞	92⅞	−2½	−8.38
Daiei Inc. 6⅛ 94	11/79	1020	86⅜	87⅜	−0½	22.23
Enserch Fin. 9⅛ 94	7/80	30.25	100⅝	101⅝	−5⅛	3.76
LPC Internatnl. 8 89	9/79	23.33	100½	101⅛	−1	1.35
Meidensha Elec 7 94	12/79	210	†83½	84½	−1⅛	11.69
Mitsubishi Co. 6½ 94	10/79	504	112⅛	113⅛	−2⅛	−0.11
Nippon Seiko 7⅛ 94	12/79	339	92⅛	93⅛	−5⅛	−3.09
Nitto Elec. Ind. 6 94	7/79	735	*67½	69	0	2.98
Toshiba Con. 7¼ 94	10/79	138	†84½	85½	−0⅛	0.72
Union Bk. Switz. 5 89	2/80	125	90¼	92¼	−2	−8.75
Fujitsu 5 84 DM	7/79	475	84⅜	85⅜	−3	11.07
Kansai Elec 4 94 DM	4/79	1234	90⅛	91⅛	−0⅛	52.61
Tokyu Ld. Cp. 4 86 DM	4/79	493	70⅝	71⅝	−0⅞	31.14
Uny Co. 6½ 85 DM	11/79	1071	86	86½	−0½	26.73

* No information available—previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn = The current coupon. C.yld = The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

INTERNATIONAL COMPANIES and FINANCE

Amev bid for U.S. insurance group

By Jeffrey Brown

A MAJOR takeover aimed at broadening its U.S. operations is planned by Amev, the second largest insurance group in Holland.

The company is to bid $134m for *Interfinancial of Atlanta* through a $55 a share cash offer. Several major shareholders in Interfinancial have agreed to support the bid.

Interfinancial's activities cover life insurance, consumer credit and property management. Revenues totalled $150m in 1979 and net profits $14m.

The deal is a relatively large one for Amev and follows recent acquisitions in the UK and Australia. The purchase price for Interfinancial represents around 38 per cent of the Dutch company's current stock market capitalisation.

About a quarter of Amev's total revenues arose outside Holland in 1978, and of sums assured of Fl 46.6bn in that year, Fl 4.9bn were accounted for by the U.S., where the company's interests centre mainly on the Time Insurance subsidiary.

Interfinancial operates mainly in the south-east of the U.S., but its operations also extend round much of the country. It handles most kinds of insurance, but specialises in property-liability and life insurance.

Balance sheet total at the end of 1978 stood at $350m. Earnings per share for 1979 were equivalent to $9.97, up from $4.85 the year before.

Interfinancial's shares were trading at about $37 before the bid. They were quoted yesterday at $47.50.

Capital rise for Olivetti

By Our Financial Staff

Olivetti SpA, makers of office machines and data systems, plans to raise capital by L100bn to L300bn, and the public will be asked to subscribe to some 70 per cent of the increase, the company confirmed yesterday. A syndicate controls about 30 per cent of Olivetti.

The prospects for the group are excellent, chairman and chief executive Carlo de Benedetti told the Milan weekly, Panorama. "I'm sure the capital increase will have full success."

Novo Industri lifts profit

By Our Financial Staff

HIGHER PROFITS and an increased dividend were announced yesterday by Novo Industri, the Danish pharmaceutical and biochemical group which for 1978 failed to meet its earnings targets.

Sales rose by 36 per cent to DKr 1.27bn for 1979 and after tax profits were 37 per cent ahead at DKr 103m ($18.4m). The dividend on the "B" shares is going up from 10 per cent to 12 per cent. The company, which has a London listing, sells 98 per cent of its output in foreign markets.

Increasing world demand boosts Hoechst sales

BY KEVIN DONE IN FRANKFURT

RISING WORLD chemicals demand, particularly in North America, Western Europe and Africa, helped Hoechst, the leading West German chemicals group, to boost sales last year by 11.1 per cent to DM 26.8bn ($14.9bn).

Pre-tax profits of the parent company—group results have not yet been announced—rose by 27.5 per cent to DM 907m, and in line with this improved *performance Hoechst is proposing* to raise its dividend from DM 6 to DM 7 per share.

In the first nine months of 1979 group pre-tax profits rose by 49.4 per cent compared with the same period in 1978, to DM 1.2bn, on sales of DM 19.9bn.

Hoechst said yesterday that sales growth continued in the first two months of the current year. Despite uncertainties, it was optimistic about the prospects for the rest of 1980.

Sales growth last year was boosted both by higher prices and by increased demand. For the parent company, Hoechst AG, total sales rose by some 14 per cent to DM10.7bn. Higher prices helped to push up the total by 5.4 per cent, but a further increase of 8.6 per cent came from the rise in sales volume.

Increased demand was fuelled partly by the price rises in oil-based raw materials, which pushed buyers to purchase stocks in advance of the next round of expected price increases.

The increase in sales volume enabled Hoechst, in common with other chemicals companies, to make better use of its plants. Capacity utilisation at its West German factories rose to an average for the year of 82 per cent, compared with 77 per cent in 1978.

In 1977 fibres showed a loss of DM240m, which was reduced to DM64m in 1978. Hoechst said yesterday that this sector is now operating around the break-even point.

There was a sharp fall in sales last year by Uhde, the Hoechst group's process plant engineering subsidiary. But the company said that the decline of more than a third in sales booked was caused solely by the uneven pattern of accounting for major process plant contracts. Order books were still at a high level.

The sales growth in the different chemicals sectors was far from uniform, but demand was particularly strong for organic chemicals, plastics, waxes, plastic film, synthetic resins and surfactants.

Of the group's worldwide sales, DM 19bn, or 67 per cent of the total, was accounted for by sales in foreign markets with the remainder, DM 8.8bn coming from the home market.

Domestic sales grew a little faster last year, however, by 11.9 per cent compared with a 10.7 per cent rise in foreign sales.

Labour costs rose by 6.4 per cent to DM 2.9bn, but the total workforce declined marginally to 61,535.

Bofors well ahead of forecast

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

A SHARP increase in sales and better profit margins on its defence equipment operation boosted Bofors' earnings by 50 per cent last year to SKr 176m ($42.6m), well ahead of the SKr 150m forecast at the eight-month stage. Anticipating a further profit gain this year the board of the Swedish armaments, steel and chemicals group proposes to raise the dividend by SKr 2 to SKr 7 a share for 1979.

Sales grew by 17 per cent to SKr 3.27bn in 1979 with sales of defence equipment climbing 30 per cent and accounting for over half of total turnover.

The pre-tax gain was achieved despite a drop from SKr 25m to SKr 9m in net financial earnings. It corresponds to an adjusted return of SKr 20.65 a share compared with SKr 14.60 in 1978.

Operating income after planned depreciation moved ahead by SKr 75m to SKr 167m, including SKr 14m in stock gains. The defence equipment division turned in an operating profit of SKr 172m, up SKr 61m, and Bofors-Nobel, the chemical division, contributed SKr 46m, ahead by SKr 3m, on sales of SKr 746m.

In the beginning of 1980 Bofors-Nobel stopped work on an Skr 500m project ordered by Iran. This project should not entail any loss, even if local conditions do not permit a resumption of work, Bofors states.

Faster growth for Rabobank

BY CHARLES BATCHELOR IN UTRECHT

PROFITS at Centrale Rabobank, the Dutch agricultural co-operative institution, rose more rapidly than business volume in 1979 for the first time in three years.

Provisional gross profits rose by 23 per cent to Fl 899m ($450m) last year compared with a 5 per cent growth in 1978. Net profits, which almost entirely go into reserves, rose by 21 per cent to Fl 330m compared with a 12 per cent rise in the previous year.

Set against these faster rates of profit growth, the balance sheet total rose by only 16 per cent to Fl 86.3bn ($43.1bn) after a 21 per cent increase in 1978. New lending was virtually unchanged at Fl 18.1bn, compared with Fl 18bn in 1978.

Investment by industry is expected to remain slack in 1980, while no strong increase in mortgage demand is seen.

Last year saw an end to the narrowing of interest margins which set in in 1978, although Rabo continued to draw considerable funds from the relatively expensive capital market. Interest income nevertheless rose more quickly than charges and profits on lending rose by 18 per cent to Fl 2.1bn.

Commission income grew by only 9 per cent (growth in 1978 was 19 per cent) to Fl 562m because of the stagnation of lending volume. Operating costs rose by 12 per cent to Fl 1.7bn.

Increased business volume and economic uncertainties led the bank to raise its provision for general risks by Fl 65m to Fl 304m.

Credit demand from the agricultural sector as a whole slowed, although the dairy sector sharply increased its uptake of funds. Total agricultural lending rose by 14 per cent to Fl 6bn and accounted for 33 per cent (29 per cent) of all new Rabobank lending.

Rabo expects a lower rate of profit growth this year, Mr. Pierre Lardinois, the bank chairman said. A similar volume of savings deposits was placed with the bank in the first two months of 1980 as in the same period of 1979.

Foreign business accounted for 10 per cent of total business volume in 1979, against 9 per cent the year before. The contribution to profits was lower, however, since much was low margin inter-bank dealings.

Rabo is about to establish a presence in Zurich by taking a 7½ per cent share in Bank Europaeischer Genossenshaftsbanken.

Air Liquide bonus plan

BY TERRY DODSWORTH IN PARIS

L'AIR LIQUIDE, the French liquefied gas company, is proposing its second scrip issue within nine months, following a year of rapid growth in which parent company profits rose by 19 per cent to FFr 259m ($62m).

The issue, on a one-for-six basis, will raise the company's capital by FFr 147m. L'Air Liquide made a one-for-10 scrip last June and says that following that move, the dividend distribution, of FFr 11.50 a share net, will be 15 per cent more for 1979.

In France, the company is reckoned to hold about 70 per cent of the industrial gas market, while overseas it has a representation in 57 countries, with a dominant presence in several, particularly in Europe.

Saudi fund raising by Niigata Engineering

By Our Tokyo Correspondent

NIIGATA ENGINEERING, an integrated machinery maker, active in plant exports, has privately placed in Saudi Arabia, SR 70m (about Y5 bn) in 5-year bonds, becoming the first Japanese company to raise funds in the Saudi Arabian currency.

The issue was made last month. Niigata is involved in oil pipeline construction and other projects in Saudi Arabia. The issue is reported to carry a coupon of 10 per cent, and to be priced at 98.5 per cent.

The lead manager is the National Commercial Bank in Saudi Arabia, with Dai-Ichi Kangyo Bank in Japan as guarantor, and the London subsidiaries of Yamaichi Securities and the Long-Term Credit Bank of Japan acting as financial advisers.

Private placements by the Japanese in Saudi Arabia in any currency have been limited, with two known cases; a dollar placement by Komatsu, and a Deutschemark issue by Kubota. Mitsubishi Heavy Industries is the only Japanese company to have placed bonds in another Arab oil country's currency—last year in Kuwait.

Sharp increase at Email —scrip issue

By James Forth in Sydney

EMAIL, the manufacturer of electrical and industrial equipment, proposes a one-for-ten scrip issue following a 39 per cent boost in group earnings for 1979. Profit rose from A$8.23m to a record A$11.47m (US$12.6m), lifting the earnings per share from 19.4 cents to 27 cents. The final dividend has been raised from 6 cents a share to 7 cents, increasing the total payout from 9 cents to 10 cents.

The directors said that the group trading in the first two months of 1980 had been maintained at a satisfactory level, and that they were confident of continued progress in sales and profits. The result does not include trading figures for Kelvinator Australia, the white-goods manufacturer, which will be consolidated from January, 1980. But Email earnings benefited to the extent of A$515,000 in dividend income from Kelvinator.

The increased final payout is on capital expanded by 42 per cent by the issue of almost 18m shares to complete the acquisition of Kelvinator following a sharemarket contest early last year.

The shares from the scrip issue will participate in the interim dividend for 1980, and Email directors said they expected to maintain the payout on the increased capital. Email's earnings for the final six months surged ahead 50 per cent to A$7.6m, compared with a 20 per cent gain to A$3.6m in the first half. The profit increase resulted, the directors said, from improvements in the appliance, air conditioning and tubing activities while the electrical, metering and element operations made the usual substantial contributions.

YEN LOANS

Market slump prompts Swedish bond deferment

BY RICHARD C. HANSON IN TOKYO

A further deterioration of prices last week in the Tokyo bond market has prompted the Ministry of Finance (MOF) to ask underwriters to postpone a Y30bn yen-denominated bond issue by the Government of Sweden planned for this month.

The shelving of the issue, which Sweden was willing to make despite a high coupon, is, however, just one sign of how poor the prospects for the bond market are at present, according to Japanese underwriters.

The authorities stepped in to ask that the Swedish issue be deferred—which is an unusually direct tack even for the MOF—after the secondary market yield on long-term 6.1 per cent coupon Government bonds soared to over 11 per cent, with the price of the stock falling to 79 per cent of par. To make matters worse, the new issues of Government bonds last week at 8 per cent have already dipped three points on the secondary market to 96.5 per cent, to yield 9.2 per cent.

The Swedish issue would probably have carried a yield of 9-9.2 per cent—which would have been embarrassing while the Government sells its 8 per cent bonds. Nomura Securities is the lead manager.

Underwriters suggest that the decision to postpone the issue was also linked to the Government's attempt to bolster the sagging Japanese yen, by limiting the demand for dollars generated by conversion of the foreign yen bond. The Government is encouraging demand for yen on the foreign exchange markets by allowing Japanese companies to make private yen placements overseas (there have been none so far) and by trying to renew interest in foreign issues of Euroyen bonds.

Euroyen bonds may reappear this month with an issue by Eurofima, the European railway finance institution, but Tokyo underwriters report that such an issue would also run into problems. The underwriters may have to increase the yield to about 9.5 per cent from the 9.2 per cent level now being considered.

Since last month, the authorities have attempted to bolster the market by sopping up bonds from the secondary market, and cutting back on the amount of new Government bonds to be issued (from Y900bn to Y600bn in March), and increasing the coupon rate on ten-year bonds by 0.3 per cent (after the official discount rate was raised 1 per cent on February 19). Secondary market yields, however, have reacted by soaring to the highest point since November, 1974.

The market is convinced—and the authorities have strongly indicated — that the official discount rate will be raised further, by a large margin, perhaps 1.5 per cent or more. Traders are not convinced that the Government will be willing to absorb an equally dramatic increase in Government bond issuing terms to give the market a boost.

Not only has the Government been unable to place much of the bonds it intended to issue *this fiscal year* (ending March 31), but next fiscal year's issue plan calls for an additional Y14,000bn in bonds, to fund 34 per cent of the national budget. This is down Y1,000bn from the 1979-80 total, but promises to worsen the already unsettled bond market conditions.

The Japanese securities houses will enter into tough negotiations with the Government later this month on the terms of the April issue of Government bonds. There is only a slight hope at the moment that conditions will improve enough to allow the Samurai bonds back very quickly.

Public share flotation from Wing Lung Bank

BY PHILIP BOWRING IN HONG KONG

WING LUNG BANK, a medium-sized local bank in which the Chartered Bank currently has a 13 per cent stake, is to go public. It is offering 5m HK$ 5 nominal shares to the public at HK$ 50 each, making a total consideration of HK$ 250m (U.S.$ 50.5m) for 25 per cent of the capital. Of the shares, 2m will be new, while the rest will come from existing shareholders, including the Chartered Bank, whose stake will fall to 10 per cent.

The issue will raise HK$ 95m in additional capital for Wing Lung, whose shareholders' funds at end 1979 were HK$ 172m, excluding the hidden reserves allowed to Hong Kong banks. Wing Lung has total assets of HK$ 2.5bn.

The Wing Lung issue is likely to attract strong attention as it is the first Hong Kong bank to come to the market here for several years. However, analysts say the price is pitched fairly high. Wing Lung's profits last year totalled HK$ 43.1m, after transfers to inner reserves, a rise of 30 per cent over the previous year. The historic price-earnings ratio is 20.9, roughly on a par with the rating of the largest, and perhaps most conservative local Chinese-owned bank, the Bank of East Asia.

Wing Lung's actual profit increase was probably larger than 30 per cent as a higher-than-usual transfer to inner reserves was made.

For the current year the bank is forecasting a 48 per cent profit increase. Although rising interest rates and even more rapidly rising increases in local credit give credence to this forecast, some brokers say it is rather early in the year to be making such bold predictions and the generally highly strung nature of the financial markets at present might have advised a more cautious forecast. The prospectus, due on March 13, should provide clearer indications of Wing Lung's assessment of prospects.

The announcement of the offering has coincided with news of a further acceleration in local lending, and a further 1.5 percentage point rise in the local prime rate to a new record 16 per cent.

Interest rates have been the main factor in causing the Hang Seng index to drop 80 points last week, including a 31-points fall on Friday to 833.69. Yesterday it fell further to 816.6. However, underwriters to the Wing Lung issue, Schroders and Chartered and Wardley, report good demand for the shares from sub-underwriters.

* * *

JARDINE SECURITIES, a listed investment-holding company in which Jardine Matheson and Co. has a stake of just over 50 per cent, has announced net revenue for the six months to December 31 of HK$ 24.5m (U.S.$4.9m)—an increase of 14 per cent over the corresponding period of 1978, writes Anthony Rowley in Hong Kong.

The Board has declared an interim dividend of 19 cents a share—an increase of 11.8 per cent—and expects to be able to recommend a final payment of 36 cents a share, making a total of 55 cents for the year to June 30 next, against 49 cents.

Dow 3 easier in early trade

AFTER LAST WEEK'S sharp retreat, Wall Street was inclined to lose further ground in active early dealings, although some recently depressed interest rate-sensitive issues rallied and Defence stocks also improved.

The Dow Jones Industrial Average, down 42.5 last week, was 3.07 easier at 817.49 at 1 pm. The NYSE All Common Index receded 37 cents more to $60.59, while falls led rises by a two-to-one margin. Turnover was a substantial 25.30m shares but well below last Friday's 35.66m.

Analysts said investors remain worried about interest rates, which are expected to rise still further from current record levels.

Investors are also awaiting announcement by the Carter Administration of what it plans to check soaring inflation. President Carter met with advisers again over the weekend.

Active American Telephone, which had been under heavy selling pressure recently, recouped ⅜ to $45⅞. Utility shares firmed and Banks added fractions. Bankamerica picked up ⅛ to $21, Citicorp ½ to $18⅝, Chase Manhattan ⅜ to $35⅜ and Continental Illinois ⅛ to $23⅛.

Among Oils, volume leader Exxon eased ⅛ to $60¾, Texaco ⅜ to $36½, Superior Oil $5 to $147½, Getty 1¼ to $81⅜, Pennzoil 1⅜ to $42⅞ and Atlantic Richfield 1⅝ to $91, but active Mobil added ⅜ at $77⅛.

IBM gained ⅜ to $61⅞. Attorney General Civiletti said the Justice Department and IBM are close to agreeing on procedure to permit discussion of substantive issues for an out-of-court settlement of the Government's anti-trust case.

In the Defence group, Boeing put on ⅜ to $57⅞, Lockheed ⅜ to $33 and McDonnell Douglas, which received Space Agency approval to upgrade its Delta rocket, ⅜ to $40⅜.

Warner-Lambert improved ⅜ to $19. It has been chosen by the National Cancer Institute as prime supplier of Interferon, a natural human antiviral agent.

THE AMERICAN SE Market Value Index fell 8.00 to 269.50 at 1 pm on volume of 3.63m shares (4.07m).

Oils were hard hit. Volume leader Dome Petroleum lost $2 to $59⅞, Gulf Canada 7⅛ to $140½ and Imperial Oil "A" 1¼ to $41½. Soodance Oil fell $7 to $72.

Closing prices for North America were not available for this edition.

Canada

Apart from a firm Banks sector, markets suffered a further sharp decline yesterday morning in active dealings. The Toronto Composite Index weakened 30.3 to 2,015.4, Golds 103.8 to 3,271.1, Oil and Gas 84.4 to 4,537.0, Metals and Minerals 56.4 to 2,159.8 and Utilities 2.46 to 255.89, but Banks gained 2.73 to 303.12.

Tokyo

Shares fell afresh over a broad front in a moderate business on continuing fears of a further rise in the Bank of Japan's Official Discount Rate being announced this month.

The Nikkei-Dow Jones Average dropped 126.18 to 6,507.16, its greatest one-day fall this year and following closely on last Friday's 111 points decline. In Saturday's half-day session, the Average rallied a modest eight points.

The Tokyo S.E. index receded 6.70 to 449.01 while declines outscored gains on the First Market section by 551 to 88 after volume of 300m shares.

Major investment trusts were active sellers following the marked fall on Wall Street last week and the higher interest rates in the U.S.

Non-ferrous Metals, Energy shares and large-capital issues fell sharply, while export-orientated issues and many other Blue Chips and Populars also retreated with operators awaiting indications from Wall Street. However, a few speculatives improved against the trend.

Arabian Oil fell Y220 to Y3,210, Teikoku Oil Y30 to Y1,070, Dowa Mining Y16 to Y824, Nippon Light Metal Y22 to Y315, Toyota Motor Y20 to Y741, Sony Y20 to Y1,530 and Nippon Steel Y6 to Y118.

Hong Kong

Shares sustained another sharp setback in fairly active trading, with the Hang Seng index retreating 17.09 more to 816.60.

Further depressing the market was the weekend increase in local Prime Rate to 16 per cent from 14½, and also the Exchange Banks Association's decision to hold weekly instead of fortnightly interest rate review meetings.

With mortgage rates now at 16¾ per cent Property stocks were particularly affected by the perceived reluctance of banks to extend the life of mortgages to cope with extra payments, dealers added.

There was also investor apprehension ahead of President Carter's address on the U.S. economy, which is expected to include credit tightening measures.

Hong Kong Bank lost 20 cents to HK$21.50, Hong Kong Electric 25 cents to HK$5.75, Hong Kong Land 40 cents to HK$11.70, Hutchison Whampoa 40 cents to HK$7.70 and Jardine Mathieson 50 cents to HK$15.40.

Australia

Markets took another pounding yesterday, with Mining and Oil stocks meeting the brunt of the selling and closing broadly lower. The sharp rises in overseas interest rates, weaker gold and base metal prices and a wave of domestic industrial disputes continued to undermine sentiment.

The Sydney All Ordinaries index fell 25.06 more to 635.97 and the Metals and Minerals index 299.45 to 5,393.53.

The Sydney market lacked any direction from the Melbourne Exchange, which was closed because of a Labour Day holiday in Victoria.

Overall market leader BHP lost 60 cents to A$12.60, while CSR, with large interests in coal, sugar and oil shale, retreated 34 cents to A$5.68.

Among Minings, CRA receded 50 cents to A$5.10, Pancontinental 20 cents to A$7.66, Hamersley 20 cents to A$3.80, Bougainville Copper 25 cents to A$3.70 and MIM 40 cents to A$5.00. Monarch Petroleum shed 12 cents to 80 cents.

Germany

After an early fresh setback the market partially recovered leaving the Commerzbank index only 4.1 lower on the day at 702.5 following last Friday's fall of 13.9.

Banks had Deutsche Bank still DM 5 down on the day and Bayerische Vereinsbank DM 2.50 weaker, but elsewhere, Degussa recouped an initial fall of DM 4 to close unaltered at DM 252. In Engineerings, Linde, on announcing increased net profits managed to rise DM 2, but Hoechst, in Chemicals, were off DM 1.20 despite higher pre-tax profits.

On the Domestic Bond market, Public Authority issues recorded losses extending to DM 1.00. The Regulating Authorities bought a nominal DM 19.9m of paper after buying DM 49.5m last Friday. Mark Foreign Loans also declined.

Paris

Share prices were generally weaker in quiet trading. Rising interest rates continued to dampen sentiment, the French Call Money rate moving up yesterday to a record 13¾ per cent, the highest level since 1974.

Most sectors were lower, but some individual shares firmed, however, including Air Liquide which rose FFr 11.8 to FFr 487 following its announcement late on Friday of a one-for-six share issue and a higher dividend.

Utilities tended to improve against the trend on news that Lyonnaise des Eaux is to make a free scrip issue.

Club Mediterranee closed five per cent higher on declaring a 33 per cent increase in its dividend.

NEW YORK

CANADA

BELGIUM (continued)

HOLLAND

AUSTRALIA

JAPAN (continued)

DENMARK

FRANCE

ITALY

NORWAY

SWEDEN

GERMANY

AUSTRIA

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HONG KONG

JAPAN

SINGAPORE

SOUTH AFRICA

BRAZIL

Indices

NEW YORK—DOW JONES

STANDARD AND POORS

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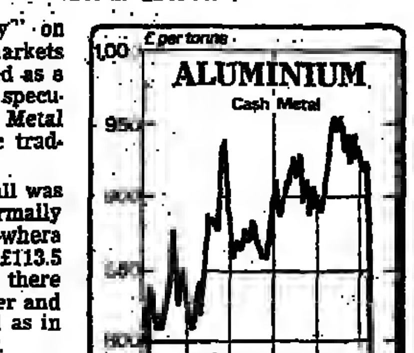
COMMODITIES AND AGRICULTURE

Heavy losses in metals as speculators sell

BY JOHN EDWARDS, COMMODITIES EDITOR



IT WAS "black Monday" on the London metal markets yesterday. Prices tumbled as a wave of selling, mainly by speculators, hit the London Metal Exchange bringing hectic trading conditions.

The most spectacular fall was in aluminium futures—normally a fairly quiet market—where the cash price dropped by £113.5 to £773.5 a tonne. But there were heavy losses in copper and other base metals, as well as in gold, platinum and silver.

Traders said the main reason for the decline was a sell-off by U.S. speculators who have become increasingly worried about the effect of high interest rates.

Added to this was the decline in gold, reflecting hopes for the release of the U.S. hostages in Iran, and apprehension about measures that might be taken in President Carter's new package aimed at damping down inflation.

Once the fall started it brought out "panic" selling by speculators, and the decline was further accelerated as "stop-loss" and chart selling points were triggered.

The fall in aluminium was not entirely unexpected. Speculative buying, encouraged by forecasts of a shortage of aluminium in the years ahead, had driven the futures prices to artificially high levels—well above prices charged by aluminium producers for better quality metal. Trading activity in aluminium futures is fairly thin, so once determined selling emerged, there was little buying resistance to halt the fall. A further rise in aluminium stocks held in the LME warehouses—up by 1,150 to a total of 35,325 tonnes—also depressed sentiment.

Copper was also badly hit. Cash wirebars fell by £62 to £1,042 a tonne; this follows a loss of over £80 last week. In the U.S. the domestic prices charged by copper producers has come from a peak of $1.42 a lb last month to $1.10. The main selling has come from U.S. speculators, who were previously primarily responsible for pushing prices up. The rise in high interest rates have played a big role in changing sentiment.

Speculators have become increasingly conscious that funds locked away in "sterile" metals are losing them interest.

At the same time it is feared the high rates will encourage consumers to de-stock and lessen demand by discouraging new investment plans.

Overwhelmed in the general depression was the fact that copper stocks in LME warehouses fell last week by 1,250 to 115,925 tonnes. This followed two consecutive weeks of stock increases—the first rises for over 14 months.

Tin stocks fell heavily by 530 tonnes cutting total holdings to 3,795 tonnes. But this was in line with market expectations and was insufficient to prevent the cash price dropping by £290 to £7,985 a tonne.

In late kerb trading there was an even more dramatic fall, with the three months quotation dropping by another £400 to £7,650 before rallying slightly to £7,700.

As expected, lead stocks were down again by 1,175 to 7,725 tonnes. But the cash price plummeted by £38 to £497.5 a tonne as part of the general sell-off.

Nickel stocks also fell by 414 to 6,810 tonnes, while zinc rose by 675 to 47,425 tonnes. LME silver holdings increased by 100,000 to 13,330,000 ounces.

On the London bullion market the spot quotation for silver dropped by 78.05p to 1,380.1p an ounce, and in the afternoon plunged to below 1,320p.

Free market platinum declined by £25.6 to £401.35 an ounce—nearly £60 below the all-time peak reached last week.

EEC could cost UK an extra £1bn

By Our Commodities Staff

BUYING FOOD in the EEC—the world's highest priced market—is likely to cost Britain an extra £1bn this year, on top of the £1-1.2bn budget contribution, British farmers and food traders will be told tomorrow.

In a paper to be presented at a conference on EEC Policy and British Agriculture Mr. Brian Gardner, European director of Agra Europe, says: "It is increasingly difficult for Britain to operate an agriculture and food policy in the national, consumer and farming industry interest within the Common Agricultural Policy. A more appropriate policy will have to evolve—although in the short term this will not benefit the British farmer."

Germany receives more than Britain from EEC agricultural funds because of its success as a food trader, not because of the aid given to its "so-called" inefficient peasants, Mr. Gardner says.

Britain is different from other Community members because of its heavy dependence on imported food and lack of any large scale trade in food and food products.

The conference — jointly sponsored by Agra Europe and the Royal Agricultural Society of England—will be held at the Society's National Agricultural Centre at Stoneleigh, Warwickshire.

No end to wool strike yet

BY PATRICIA NEWBY IN CANBERRA

THE STRIKE by Australian wool storemen and packers now in its seventh week seems no closer to resolution, in spite of a week of tough talks on both sides.

The strike, by members of the Storemen and Packers' Union in Sydney and Melbourne, has halted auctions and sale of about A$500m (£250m) and is threatening to damage seriously Australia's reputation as a reliable wool supplier as stocks held by overseas buyers dwindle.

A special wool industry committee has been formed to plan the removal of store-bound wool, president of the Wool Council of Australia, Mr. Dick O'Brien, said.

The Wool Council met in Canberra yesterday to discuss the strike which has forced the cancellation of Australian wool-sales for the past nine weeks, and the federal Government, which has backed brokers' proposals to seek deregistration of the storemen and packers union, will discuss the dispute in Cabinet today.

The wool men are seeking implementation of the rises of between A$12.50 (£6.25) and A$15.90 (£8) granted by Arbitration Commissioner, Mr. Justice Staples, last year. On appeal to a full bench of the commission, the employers managed to have the rises reduced to a flat A$S.

The wol brokers, backed by the Government, have refused to implement the earlier rises, arguing that such action would represent a direct challenge to the authority of Australia's wage-fixing authority, the Arbitration and Conciliation Commission.

In spite of calls from the wool brokers, the Government has moved slowly towards de-registering the union, for fear it would inflame the dispute and lead to protest action by other unions.

De-registration would mean that the wool could be moved by people other than the union members. Mr. Simon Crean, the federal secretary of the Storemen and Packers' Union, said de-registration could not possibly lead to movement of the wool even if the wool brokers could find labour prepared to do it.

Mr. Crean said 13 other unions were required to handle the wool before it could eventually be exported.

Mr. Barry Purvis, director of the Australian Wool Selling Brokers Employers' Federation, said however he believed other unions would "move in like vultures" in spite of the policy of the Australian Council of Trade Unions (ACTU) against by another union.

Intervention by the ACTU and the Federal Government has so far achieved nothing. The union members voted earlier in the week to stay on strike for another ten days. Members in centres other than Sydney and Melbourne returned to work three weeks ago to earn money to support the strikers.

Reports from overseas buyers of difficulties being experienced as supplies dry up are continuing to be raised by the Government and the wool brokers. A Japanese wol milling union is supposed to have written to the solve the dispute because 20,000 jobs were at stake, while also writing to the unionists supporting their stand.

Lower Brazil cocoa crop forecast

BRAZIL'S temporao cocoa crop could be up to 35 per cent lower this year according to reports coming out of the country's Bahia growing region.

In Brasilia Agriculture Ministry officials said while the crop was likely to be late and sharply lower, it was too early to make a precise estimate of the harvest, which will start in May and last until September.

But cocoa traders in Salvador said it could be down to 2m to 2.5m bags (60 kilos each) compared with 3.13m bags in 1979.

For the 1978-79 season, total Brazilian cocoa production, including the main crop, amounted to 5.3m bags.

World cocoa bean grindings are expected to rise 2 per cent to 1.45m tonnes, it added, and world stocks will rise by an estimated 137,000 tonnes.

In London yesterday cocoa producers and consumers began a new round of talks aimed at renegotiating the International Cocoa Agreement. The producers are still seeking the buffer stock price range of 120-166 cents a lb rejected by consumers at the last negotiating session in Geneva.

BURMA

Building up a fishing industry

BY A CORRESPONDENT

WITH THE recent provision of £3.1m grant to Burma for fishberies development, Britain has increased its participation in the development of one of Burma's most promising new industries.

Britain first extended a £½m grant in November 1978 to help Burma buy an ice plant and a trawler for conversion into a research vessel. The ice plant, capable of producing 10 tons of ice a day and equipped with a 50-ton chill store, is now being set up in an Irrawaddy delta town, to act as the internal distribution point for fresh-water prawn catch in the delta.

The trawler, bought through the Crown Agents and converted in a British shipyard, has just arrived in Rangoon. Fitted with an acoustic fish-finding equipment and an echo-sounder, it will help the People's Pearl and Fisheries Corporation, Burma's state-owned fishing concern, in assessing the potential of shrimp stocks off the Arakan coast in west Burma.

The £½m grant was followed up by a £9.76m loan from the Midland Bank, underwritten by the Export Credit Guarantee Department, in June last year. This loan is being used to finance the construction of 23 boats comprising glass reinforced plastic (GRP) shrimp trawlers and a 100-ton burden front ramped ferry, a 200-ton chill store and a 72-ton a day ice plant.

Denmark has also extended two loans totalling Kr120m ($23.8m) in the last two years. Norway has provided a Kr142.44m and Australia has joined in with a $11.36m loan.

All this assistance from Britain and the other three nations will, however, cover only that part of the industry located in Arakan and the Irrawaddy delta, the two regions which together make up the north-western half of Burma's 1,768-mile coast line.

For the other part located in the other half of the coast line, the Asian Development Bank has provided the needed finance—a $9.8m loan in 1974 and a $26m loan later. The first enabled Burma to buy 13 285-ton fishing trawlers from South Korea to expand PPFC's fishing fleet of 30 trawlers and 23 carriers; and the latter to finance the construction of ice plants and chill stores in four coastal towns in south Burma.

By Burmese standards, the present strength of PPFC's fishing fleet and the projected equipment and infrastructure may seem quite enough for the new industry, but whether or not they are adequate will be determined by the results of a 4-year programme which the PPFC has launched last September with a $600,000 assistance from the United Nations Development Programme and the FAO. The main purpose of this programme is to make a scientific assessment of Burma's offshore fishery resources and to help Burmese authorities in formulating long-term development.

Under this programme, the research ship Dr. Fridjof Nansen of the Norwegian Agency for Development and Co-operation carried out exploratory marine fishing in Burmese waters from September to November last year.

In spite of its fairly long coast line running southeast from the Bangladesh to the Thai border, skirting the Bay of Bengal, Burma has never had a developed marine fishing industry in its history. The possibility of systematically exploiting the vast fish and other resources of its 90,000-square-mile sea area came to be realised only when poaching in Burmese waters by foreign trawlers became endemic in the last decade.

Burmese official estimates have put the annual sustainable catch of demersal and pelagic species from the continental shelf alone—i.e., excluding the 12-mile territorial waters and the 200-mile exclusive economic zone—at 600,000 tons.

Tea drought in Colombo

COLOMBO — Some 150,000 acres of prime tea in Sri Lanka's central and south central tea districts lie dehydrated and close to ruin as a result of the worst drought the country has experienced this century.

The result will be leaner catalogues at Colombo auctions for a month or more, if conditions get worse. Production over the last month has dropped by an estimated 18m kilos.

However, the meteorological office today forecast that the drought, which began in the second week of December, would end later this month.

Reuter

Soviet wood offer

THE SECOND offer of Soviet softwood for shipment this year was circulated to the UK importing trade at the weekend. Exportles, the state selling organisation for forest products, has raised the price of the most popular grade by just over 7 per cent when compared with the first offer which came out in mid-January. Price increases for the other four grades range between 2.5 and 6 per cent.

These prices are at the top of the scale of importers' expectations but in defence of the new levels the sellers point out that the total quantity they have to offer this year is limited and that other European markets are strong and will take any wood on offer. Should sterling weaken during the summer and so increase the cost of comparable Scandinavian stocks, then today's Russian prices which are in straight sterling will, the sellers say, look more reasonable.

The nominal quantity now offered is 150,000 cu m, but it is thought that if the response from importers is favourable then this quantity could be doubled. With just over 700,000 cu m sold on the first schedule this would then complete the Soviet's softwood sales to the UK this year at just over 1m cu m.

U.S. doubts on futures rules

JAMES STONE, chairman of the U.S. Commodity Futures Trading Commission, may have changed his mind about market regulations

In a speech to the Harvard Club last week, Mr. Stone said he now shared some of the London financial community's doubts about the practicality of applying traditional U.S. surveillance approach to to-day's international markets.

He suggested one alternative regulatory approach might be the British method of restricting market entry, when open positions are threateningly large.

Alternatively the CFTC could require, as a condition for using U.S. futures markets, that all traders agree to provide full ownership information or face liquidation of their accounts.

BRITISH COMMODITY MARKETS

BASE METALS

COPPER — Sharply lower on the London Metal Exchange. The continued strength of the dollar, high interest rates and a heavy fall in precious metals sparked a further decline in copper which fell away throughout the day to close the late kerb at £1,061. Initial speculative selling triggered heavy stop-loss selling which in turn pushed prices below several significant chart sell points. Although forward metal held steady at the £1,060 level for a short period fresh selling pressure was reported in the late inter-office trading where the price dropped to around £1,020. Turnover: 30,500 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	1074-6	-46.5	1041-3	-62
3 months	1083.5-4.6	-40	1061-0	-64
Settlem't	1078	-46	—	......
Cathodes				
Cash	1036-8	-40.5	998-2	-75.0
3 months	1066-7	-42	1020-1	-76
Settlem't	1038	-40	—	......
U.S. Prod	—	......	*110-2e	......

Amalgamated Metal Trading reported that in the morning three months wirebars traded at £1,105, 5, 6, 4, 1,100, 1,098, 96, 95, 93, 92, 91, 94, 93, 92, 91, 93, 93.5, 94. Cathodes, cash £1,030, three months £1,065, 67, 68. Kerb: Wirebars, three months £1,091, 90, 88, 87, 85, 86, 88, 97, 96, 85, 84, 83, 84. Afternoon: Wirebars, three months £1,065, 61, 62, 64, 63, 61, 62, 61, 64, 63, 62, 61, 60, 61, 62, 61. Cathodes, three months £1,020. Kerb: Wirebars, three months £1,065, 64, 61, 60, 57, 56, 57, 58, 55, 52, 50, 48, 44, 40.

TIN — Down. Forward metal came under light selling pressure during the morning and fell from £8,240 to £8,190 on the kerb reflecting the downturn at Penang. In the afternoon nervous selling built up and prompted a further decline to £8,080 during the rings. Good U.S. physical demand was reported throughout the afternoon rings. This heavy U.S. interest continued through to the kerb dealings but the market then collapsed under a welter of speculative selling with forward metal dropping from £8,070 to £7,650 before closing at £7,700. Turnover: 2,750 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	8130-40	-175	7980-8000	-290
3 months	8170-80	-147.5	8050-60	-240
Settlem't	8140	-175	—	......
Standard				
Cash	8130-40	-175	7980-8000	-290
3 months	8170-80	-147	8000-60	-240
Settlem't	8140	-175	—	......
Straits E.	†$2421	-49	—	......
New York	—			......

Morning: Standard, cash £8,130, three months £8,200, 8,180, 90, 70, 90. Kerb: Standard, three months £7,180. Afternoon: Standard, three months £8,160, 50, 20, 8,100, 8,080, 70, 80, 75, 80, 60. Kerb: Standard, three months £8,060, 70, 60, 50, 8,000, 7,970, 40, 7,900, 7,880, 70, 40, 7,800, 7,750 7,700.

LEAD — Lost ground along with other metals, reflecting initial heavy long liquidation which triggered heavy stop-loss selling. Forward metal opened around the £484 level and lost ground to reach £437 during the afternoon rings before recovering to close the late kerb at £453, after £460. Turnover: 18,350 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	515-20	-8	495-500	-30
3 months	453-4	-24	463-5	-27.2
S'ment	520	-8	—	......
U.S. Spot	—	......	*50	......

Morning: Three months £473, 72, 71, 67, 66, 65, 64, 62, 61, 60, 58, 57, 56, 53, 52, 50, 48, 46, 50, 51, 52, 53. Kerb: Three months £450, 45, 43, 40, 42. Afternoon: Cash £500, 498, three months £438, 39, 40, 53, 50, 65, 56, 54, 55, 56. Kerb: Three months £460, 59, 58, 59.

ZINC — Down. The heavy losses in other metals brought out forced selling of zinc which fell sharply from £353 to the day's low of £320 before steadying up to close the late kerb at £328. Turnover: 11,550 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	331-3	-17	318-20	-25.0
3 months	343-4	-18.5	327-8	-26.5
S'ment	333	-17	—	......
Primw'ts	—	......	*37.5	......

Morning: Three months £349, 45, 46, 47, 46, 48, 45, 44. Kerb: Three months £342, 40, 39. Afternoon: Three months £338, 37, 36, 34, 32, 30, 28, 25, 26, 24, 25, 28, 25, 27. Kerb: Three months £330, 32, 33, 32, 27.

ALUMINIUM — Collapsed under the weight of large-scale stop-loss selling. Forward metal opened at £905 but immediately came under heavy selling pressure which quickly pushed the price through several chart sell points. The decline continued until three months had reached £802. A brief rally then pushed the market ahead to £825 but this was short lived as a fresh wave of speculative selling cut forward metal to the day's low of £775 on the late kerb. Turnover: 29,725 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	829-31	-71.5	772-5	-110
3 months	848-9	-69	792-5	-109

Morning: Three months £879, 77, 75, 74, 51, 55, 54, 55, 52, 50, 47, 48, 49, 48, 45, 46, 47, 49. Kerb: Three months £850, 47, 48, 44, 40, 38. Afternoon: Three months £825, 20, 10, 800, 798, 805, 7, 5, 15, 20, 25, 20, 10, 10, 05, 3, 0, 798, 99, 95, 93, 92, 90, 88, 89, 85, 88, 89, 90, 92, 95. Kerb: Three months £798, 95, 93, 90, 85, 83, 80, 75.

NICKEL — Easier along with other metals. Forward metal opened around the £3,220 level and gradually gave ground to close the late kerb at £3,110. Turnover: 1,608 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffici'l	+ or —
Spot	3085-90	-55	3015-25	-115
3 months	3185-95	-47.5	3115-25	-115

Morning: Three months £3,220, 10, 3,200, 3,190, 85, 90, 85, 90. Afternoon: Cash £3,065, three months £3,120, 30, 50, 60, 80, 70, 60, 30, 20. Kerb: Three months £3,120, 10, 05, 10, 3,100.

TEA AUCTION

LONDON TEA AUCTION—48,131 packages were offered at yesterday's auction. North Indian met with keen competition and coloury mediums put on 2p-4p. Brighter Bangladesh teas advanced but plainer sorts lost ground. East African CTCS were again well supported and generally gained 2p-4p. whito...clean Mozambique Orthodox sorts were 2p-3p dearer. Ceylons were firm to dearer in a strong market. Quotations: Quality 142p per kilo (142p): Medium 115p (113p): Plain 64p (60p).

SILVER

LME—Turnover 213 (98) lots of 10,000 ozs. Morning: three months 1,440, 35, 15, 05, 10, 1,400. Kerbs: three months 1,385, 90. Afternoon: three months 1,380, 90, 85, 90, 60, 55, 50, 55, 60, 55.

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unofficial	+ or —
Spot	1380.10p	-78.0	1317.0p	-187
3 months	1428.10p	-80.9	1357.5p	-180
6 months	1461.10p	-85.9	—	......
12 months	1521.10p	-77.8	—	......

Silver was fixed 78.05p an ounce lower for spot delivery in the London bullion market yesterday at £13.801. U.S. cent equivalents of the fixing levels were: spot $30.818, down $1.832; three-month $31.697, down $1.911; six-month $32.435, down $1.977; and 12-month $32.7, down $2.873. The metal opened at £14.5-14.85 ($32¾-33) and closed at £13.05-13.40 ($29-29¾).

COCOA

Trading within a narrow range futures today attracted a little trade buying at the lows but closed quietly at levels little different to Friday evening. Physicals were largely neglected with both producers and consumers anxiously awaiting the outcome of the current ICCO meeting, reports Gill and Duffus.

COCOA	Yesterd'ys Close	+ or —	Business Done
March	1372-77	+3.0	1380-68
May	1413-15	+6.0	1420-07
July	1432-35	+2.0	1444-30
Sep	1450-52	+2.5	1467-00
Dec	1485-87	+1.0	1503-1487
March	1510-18	+1.0	1526-15
May	1530-50	+7.5	—

Sales: 1,330 (1,465) lots of 10 tonnes. International Cocoa Organisation (U.S. cents per pound). Daily price March 7 140.89 (142.68). Indicator price March 10: 15-day average 142.87 (143.47): 22-day average 145.38 (145.82).

COFFEE

Robustas opened on a steady note. Commission house buying prompted early gains but trade selling provided resistance. In the afternoon prices eased slightly on further trade pressure but the market was well supported and gradually rallied mainly influenced by a steadier than expected New York opening. Closing call values were reduced slightly by profit-taking, reports Drexel, Burnham, Lambert.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
March	1634-35	+22.0	1637-24
May	1671-72	+27.5	1676-60
July	1704-05	+25.5	1712-93
Sept	1741-42	+27.0	1748-37
Nov	1735-37	+26.5	1705-30
January	1700-10	+17.5	1715-00
March	1680-85	+25.0	1700

Sales: 4,644 (7,031) lots of 5 tonnes. ICS Indicator prices for March 7 (cents per pound): Other Mild Arabicas 186.83 (185.67): Robustas ICA 1976 174.75 (same); ICA 1968 176.00 (same): Unwashed Arabicas 204.00 (204.50); Comp. daily ICA 1968 192.81 (192.95).

LONDON GRAIN FUTURES—Old crops moved higher on good commercial buying but eased fairly quickly when selling pressure emerged. New crops also gained ground in early dealings before falling in the afternoon reports Acli.

	WHEAT		BARLEY	
Mnth	Yest'rdays close	+ or —	Yest'rday close	+ or —
Mar.	94.10	-0.60	95.40	-0.10
May	97.30	-0.35	96.05	-0.30
Sept	94.65	-0.25	93.25	-0.25
Nov	98.60	-0.25	96.55	-0.15
Jan	102.65	-0.35	100.50	-0.15

Business done—Wheat: March 94.80-94.05, May 98.25-97.10, Sept. 95.20-94.55, Nov. 99.20-98.60, Jan. 103.15-102.90. Sales 244 lots of 100 tonnes. Barley: March 93.90-93.50, May 97.10-96.05, Sept. 92.80-92.25, Nov. 97.05-96.55, Jan. 100.95-100.50. Sales 291 lots of 100 tonnes.

IMPORTED—Wheat: U.S. Dark Northern Spring No 2 14 per cent March 98.75, April/May 97.50, May 97.50 transhipment east coast. Maize: U.S./French March 112, April 117 transhipment east coast. S. African Yellow April 75.50. Barley: English Feed fob March 99.50, paid east coast, April/June 102.50 seller east coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: Eastern 93.70, E. Midlands 93.00, N. East 93.90, Scotland 92.70. Other milling wheat: E. Midlands 95 20.

The UK Monetary Coefficient for the week beginning Monday, March 17 (based on HGCA calculations using four days exchange rates) is expected to remain unchanged.

RUBBER

The London physical market opened easier and was subject to terminal market liquidation, closing on a weak note. Lewis and Peat reported a Malaysian godown price of 330 nom. (334) cents a kg (buyer, April).

No. 1 R.S.S.	Yest'rdays Close	Previous Close	Business Done
Apr.	67.10-68.90	70.50-71.50	70.75-60.90
May	69.20-69.70	71.90-73.50	71.50-69.90
Apr-Jne	69.00-69.40	72.10-75.40	72.25-68.50
Jly-Sept	72.70-73.50	77.10-77.15	77.70-76.00
Oct-Dec	77.10-77.50	81.15-81.20	81.50-76.00
Jan-Mar	80.40-80.50	82.15-82.40	82.00-80.90
Apr-Jne	83.40-83.50	87.00-87.10	85.00-83.10
Jly-Sept	86.40-86.45	89.90-90.00	87.55-86.10
Oct-Dec	89.40-89.45	92.60-92.70	90.70-89.20

Sales: 1,852 (703) at 15 tonnes, 145 (22) at 5 tonnes.

Physical closing prices (buyer) were: Spot 68.00p (79.75p): April 68.50p (72.25p): May 70.50p (74.25p).

SOYABEAN MEAL

The London market opened with losses of around 50p continuing the bearish trend and erosion of prices, reports T. G. Roddick. Trade support at lower levels helped to steady prices which closed with losses of £1.00. Sales: 66 (45) lots of 100 tonnes.

	Yest'rd'y Close	+ or —	Business Done
	£ per tonne		
April	109.60-9.8	-1.10	110.50-9.60
June	109.50-9.9	-1.05	110.00-9.50
August	111.20-11.5	-1.05	112.00
October	110.60-10.8	-0.65	111.10-10.60
December	113.80-13.9	-0.75	14.00-13.60
February	116.50-17.0	-1.05	—
April	118.00-19.0	-1.0	—

SUGAR

LONDON DAILY PRICE (raw sugar): £230.00 (same) a tonne cif for March-April shipment. White sugar daily price was £260.00 (same).

Reports that India would have to import sugar to cover domestic requirements, and that Imn - had bought 100,000 tons last week, lifted the market some £9.00 above pre-weekend levels. However, liquidation developed and the high were short-lived. Later New York turned very weak so that by 5 pm May had touched £234.00, with other positions touching the limit decline, reports C. Czarnikow.

Sugar Pref. Comm. Con.	Yest'rdays Close	Previous Close	Business Done
	£ per tonne		
March	219.00-222.0	260.00-61.00	258.00-18.00
May	254.25-55.00	257.00-57.25	255.00-54.00
Aug	245.00-45.50	275.00-75.25	276.00-42.00
Oct	251.50-52.00	285.50-85.75	285.00-51.00

Sales: 10,918 lots of 50 tonnes.

NUMBER 4 CONTRACT—Close (in order buyer, seller only). May 232.00, 233.50: August 243.60, 246.50: Oct. 245.00, 255.00: Jan. 254.60, 259.00: March 264.00, 265.00: May 266.00 seller. Sales: 273 (106).

Tate and Lyle ex-refinery price for granulated basis white sugar was 321.7 (same) a tonne for home trade and 321.00 (same) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for March 7. Daily price 20.47 (23.29): 15-day average 22.18 (22.52).

COTTON

LIVERPOOL—Spot and shipment sales amounted to 667 tonnes. Much more demand was encountered, with an encouraging offtake in specialist styles. South and Central American supplies were wanted, as well as certain African qualities.

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order buyer, seller, business, sales). Australian cents per pound. March 480.0, 481.0, 482.0-480.0, 4: May 494.5, 495.0, 495.0-492.0, 44: July 519.0, 519.5, 522.0-519.0, 114: Oct. 519.0, 520.0, 523.0-519.0, 34: Dec. 521.0, 522.0, 522.0-521.0, 50: March 522.0, 523.0, 523.0-522.0, 28: May 523.5, 526.0, 525.0-524.0, 3: July 524.0, 525.0, 525.0-525.0, 1. Sales 278.

BRADFORD WOOL—Merino business and growing anxiety about supplies from Australia has helped to cause price rises in these ranges, weaker sterling has also contributed. UK market activity is better, if still patchy, with a firmer attitude noted.

Reuter

LONDON NEW ZEALAND CROSS-BREDS—Close (in order buyer, seller, business, sales). New Zealand cents per kilo. May 400, 410, nil, nil: August 417, 419, 420-419, 2: Oct. 418, 420, 420, 2: Dec. 418, 420, 420, 2: Jan. 418, 420, 420, 2: March 422, 429, nil, nil: May 423, 433, nil, nil: August 430, 435, nil, nil. Sales 8.

PRICE CHANGES

In tonnes unless otherwise stated.

	Mar. 10 1980	+ or —	Month ago
Metals			
Aluminium	£810/815	......	£810/815
Free Mkt (cs)	$1800/1850	-220	$2180/22
Copper			
Cash w'bar	£1,042	-62	£1,351
3 mths	£1,061.5	-64	£1,365.5
Cash Cathode	£901	-75.5	£1,280
3 mths	£1020.5	-78	£1,318.5
Gold troy oz	$585.5	-88	$712.5
Lead cash	£497.5	-38	£523
3 mths	£464	-27.25	£504
Nickel	£3,335	......	£3,195.78
Free mkt (cif lb)	315/345c	......	305/330c
Platin'mtr'y oz	£189.0	......	£189
Free mkt	£401.35	-25.6	£396.95
Quicksil'ver†	$390/400	......	$395-405
Silver troy oz	1380.10p	-78.05	1743.80p
6 months	1428.10p	-80.8	1777.40p
Tin Cash	£7,990	-290	£7,367.0
3 mths	£8,055	-240	£7,422.5
Tungsten 22.04lb	$132.73	......	$139.70
Wolfrm 22.04 lbs	$143/148	......	$139/144
Zinc cash	£319	-25.5	£384.0
3 months	£327.5	-26.5	£396.5
Producers	$825	......	$790/825
Oils			
Coconut (Phil)	$790t	-10	$880
Groundnut	‡	......	‡
Linseed Crude	£440	......	£451
Palm Malayan	$650v	-5	$680
Seeds			
Copra Philip	$690	......	$575
Soyabean (U.S.)	$280.50r	......	$300
Grains			
Barley Futures	£96.05	-0.50	£100.60
Maize			
French No3 AM	£116	......	£117.50
Wheat			
No. 1 Red Spg.	‡	......	‡
No2 Hard Wint.	‡	......	£96.25
Eng. Milling†	‡	......	‡
Other commodities			
Cocoa ship't	£1,432	......	£1,037
Future May	£1,418.5	+8	£1,477.5
Coffee F't'r May	£1,671.5	+27.5	£1,492
Cotton A Index	93.60c	......	97.00c
Rubber (kilo)	66p	-5.75	87p
Sugar (Raw)	£230	......	£260
Wooltp's 64s kl	505p kilo	+0	392p kilo

r March. s June. v May. t March-April. u April. w April/May. x July. z Indicator. § Buyer. † Per 76 lb flask.

AMERICAN MARKETS

NEW YORK, March 10.

PRECIOUS METALS and copper were limit down on commission house liquidation and local selling ahead of Carter's anti-inflation announcement expected later this week. Sugar and cotton were limit down in sympathy with gold. Cocoa was lower on commission house selling while coffee was higher on light dealer buying. The livestock complex was sharply lower on commission house liquidation encouraged by weakness in cash markets. The grain and soya complex declined on a general lack of buying interest in light of the steep sell-off in gold and ahead of any Administration announcement on anti-inflation efforts, reported Heinold.

Potatoes (round whites)—April 47.8 (52.8), May 58.4-58.5 (62.8), Nov. 72.5. Sales 1,523.

Sugar—No. 11: May 19.70-19.95 (22.74), July 24.57 (25.57), Sept. 25.60, Oct. 26.09, Jan. 26.55, March 27.08, May 27.00, July 27.15. Sales 20,115.

Tin—800.00-845.00 asked (870.00-890.00).

CHICAGO, March 10.

Lard—Chicago loose 19.50 (same). New York prime steam unavailable.

Live Cattle—April 69.15-69.05 (70.32), June 71.90 (72.80), Aug. 70.92, Oct. 69.82, Dec. 71.02, Jan. 71.40, Feb. 71.50-71.15.

Live Hogs—April 36.45-35.50 (37.42), June 40.60-40.50 (41.95), July 41.75-42.05, Aug. 41.10, Oct. 40.90, Dec. 43.75-43.80, Feb. 46.70, April 45.55, June 46.25.

‡‡Maize—March 261½-261¾ (264), May 272-271½ (274¾), July 284¼-283¾, Sept. 293½-292¾, Dec. 303¾-303½, March 315¾-316.

Pork Bellies — Mar. 39.65-39.70 (41.55), May 41.22 (43.22), July 42.65-42.75, Aug. 41.70, Feb. 52.00-51.85, Mar. 53.65, May 54.80, July —, Aug. —.

Silver—Mar. 3940.0 (3315.0), Apr. 397.50 (3290.0), June 3455.0, Aug. 4515.0, Oct. 3575.0, Dec. 3630.0, Feb. 3690.0, Apr. 3755.0, June 3810.0, Aug. 3870.0, Oct. 3930.0, Dec. 3990.0, Feb. 4050.0, Apr. 4110.0, June 4170.0, Aug. 4230.0.

†Soyabeans—Mar. 621 (626½), May 643-644 (648½), July 667-668, Aug. 677, Sept. 686½-687½, Nov. 701½-702, Jan. 718½-719, Mar. 739.

‖Soyabean Meal—Mar. 169.60-169.70 (171.10), May 176.50-176.50 (178.20), July 183.00-193.20, Aug. 186.20, Sept. 189.00, Oct. 192.00-192.50, Dec. 198.00-196.60, Jan. 199.00-198.00, Mar. 203.00-202.50.

Soyabean Oil — Mar. 22.20-22.25 (22.34), May 22.70-22.73 (22.90), July 23.26, Aug. 23.60, Sept. 23.85-23.90, Oct. 24.10-24.10, Dec. 24.60-24.55, Jan. 24.75, Mar. 25.10, May 25.40-25.50.

†Wheat—Mar. 429½-420 (436¾), May 438½-439½ (449¾), July 444½-445½, Sept. 455, Dec. 471-470, Mar. 484½.

WINNIPEG, March 10—§Barley Mar. 110.20 (100.10), May 113.30 (113.30), July 115.90, Oct. 113.20, Dec. 113.20.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq feet. ‡ Cents per dozen.

EUROPEAN MARKETS

ROTTERDAM, March 10.

Wheat—U.S. No. 2 Red Winter April $158. U.S. No. 2 Northern Spring 14 per cent March $202, April $199, May $197, June $198.50. Rest unquoted.

Maize—U.S. No. 3 Corn Yellow all $135.50, March $135.50, April $135, May $136, June $138, July/Sept. $141.75, Oct./Dec. $146, Jan./March 155.

Soyabeans—U.S. No. 2 Yellow Gulf ports all $263, March $262.75, May $268.50, June $274, July $276.50, Aug. $280.75, Sept. $284.50, Oct. $267.50, Nov. $287, Dec. $293.50, Jan. $297.25, Feb. $304, March $307 sellers. April $266/$265 traded. Brazil Yellow faq unquoted. Argentine unquoted.

Soyameal—44 per cent protein U.S. afl $277.50, June $229 traded, all $223. March/April/May $228 June $229.50, April/Sept $233, Nov./March $252. Brazil Pellets March $236 April/May $234, April-Sept. $239 sellers.

PARIS, March 10.

Cocoa (FFr per 100 kilos). March 1,280-1,300, May 1,290-1,300, July 1,300, Sept. 1,340-1,355, Dec. 1,356-1,360, March 1,365-1,370. Sales at call 0.

Sugar (FFr per 100 kilos). May 2,210-2,212, July 2,220-2,250, Aug. 2,230-2,290, Oct. 2,330-2,350, Nov. unquoted, Dec. 2,400-2,430, March 2,430-2,450, May 2,460-2,490. Sales at call 23.

INDICES

FINANCIAL TIMES

Mar. 7	Mar. 6	M'nth ago	Year ago
300.63	302.77	311.17	271.28

(Base: July 1, 1952=100)

MOODY'S

Mar. 7	Mar. 6	M'nth ago	Year ago
1375.6	1401.7	1471.2	1067.3

(December 31, 1931=100)

DOW JONES

Dow Jones	Mar. 7	Mar. 6	Month ago	Year ago
Spot	427.39	434.05	453.97	381.25
F'tur's	461.12	453.87	463.11	388.24

(Average 1924-25-26=100)

REUTERS

Mar. 10	Mar. 7	M'nth ago	Year ago
1786.5	1775.8	1856.8	1542.1

(Base: September 18, 1931=100)

GRIMSBY FISH—Supply fair, demand good. Prices at ship's side (unprocessed) per stone: Shell cod £3.50-£5.00, codlings £2.80-£3.80. Large haddock £4.00-£4.20, medium £3.70-£4.00, small £2.40-£3.00. Large plaice £3.00, medium £3.00-£3.30, best small £3.20-£3.50. Lemon soles (large) 9.20, (medium) £8.50. Saithe £2.00-£2.30.

MEAT/VEGETABLES

SMITHFIELD—pence per pound. Beef: Scotch killed sides 64.0 to 68.0, Eire hind quarters 75.0 to 77.0, fore quarters 48.0 to 50.0. Veal: English fats 77.0 to 86.0, Dutch hinds and ends 100.0 to 113.0. Lamb: English small 50.0 to 70.0, *English small 72.0, medium 50.0 to 70.0, heavy 50.0 to 64.0. Scotch medium 68.0 to 68.0, heavy 50.0 to 64.0. Imported frozen: NZ pl new season 53.0 to 54.0, pm new season 51.0 to 52.0. Pork: English, under 100 lbs 38.0 to 49.0, 100-120 lbs 36.0 to 48.0, 120-160 lbs 36.0 to 44.0.

* Special quotations: Very high quality produce in limited supply.

COVENT GARDEN—Prices in sterling per package except where otherwise stated: Imported Produce: Oranges—Spania: Navel 4.00-5.50. Jaffa: Shamouti 50/159s 3.90-5.40; Moroccan: 64/113s 4.00-4.20; Cyprus. Valencia Lates 3.70-4.00. Satsumas—Spania: 95/169s 3.40-4.30. Wilkings—Spania: 4.00-6.00. Lemons—Italian: 100/150s 4.20-4.50; Cyprus: 15-kg 84/120s 3.40-4.30; Californian: 9/165s 4.60-6.00: S. African: 80/120s 5.00-5.90. Grapefruit—Cyprus: 20-kg 3.20-4.40: Jaffa: Large boxes 32/88s 4.00-4.80; Florida: Pink flesh 36/48s 5.20-5.40. Apples—French: Golden Delicious, boxes 40-lb 138/175s 4.40-5.90, 20-lb 1.60-2.60; Granny Smith 20-lb 2.80-3.90, 40-lb 5.50-6.30. Starkcrimson, approx. 20-lb 72s 2.60; 40-lb 5.80-5.80; Italian: Granny Smith 20-lb, per pound 0.16-0.17, Jonathan 0.03, Starking 0.10-0.14, Golden Delicious 0.10, Romes 0.09½. Pears—S. African: approx. 34-lb Williams Bon Chretien 7.00. Grapes—Californian: Red Emperor, per pound 0.50-0.55; S. African: Alphonse Lavallee 6.50, Waltham Cross 6.00. Plums—S. African Per pound Sungold 0.55-0.60. Ortaniques—Jamaican: 54/128s 5.50-7.25. Avocados—Israeli: 4.00-4.20. Melons—Ecuador: White 4.00: Chilean: White 8.50. Colombian: Green 10-kg 5.00-7.00.

Firm Gilt-edged sector fails to help equities which drift lower—Oil majors weaken on heavier tax fears

Account Dealing Dates
Options

*First Dealings	Declarations	Last Dealings	Account Day
Feb. 25	Mar. 6	Mar. 7	Mar. 17
Mar. 10	Mar. 20	Mar. 21	Mar. 31
Mar. 24	Apr. 10	Apr. 11	Apr. 21

* "New time" dealings may take place from 9 a.m. two business days earlier.

Stock markets began the new trading Account in divergent fashion yesterday. Sentiment in equities was undermined by strengthening views that the Chancellor may be considering the introduction of a tax on "wind-fall profits" coupled with yet another adverse projection of UK economic trends. The tax fears stem from the profits upsurge anoounced last week by **Royal Dutch/Shell** and by sharp revenue increases in the two major clearing banks which have so far delcared 1979 results.

Gilt-edged securities, on the other hand, progressed quietly ahead of today's banking statistics, encouraged by the administration's determination to hold Minimum Lending Rate at its present level of 17 per cent despite the continuing rise in international rates. Final gains among longer-dated stocks ranged to ⅝, while the shorts were around $\frac{1}{16}$ better.

The secondary Oil market was again under close scrutiny. Siebens (UK), the centre of the market's recent weakness, led a fresh early decline but the tendency gradually steadied in the absence of any further enforced selling. The losses recently sustained in this sector, however, remained a cause for concern which again affected general sentiment in equities.

Reflecting the increased publicity about "wind-fall tax" possibilities, leading Oils and Banks suffered above-average losses, which sometimes exteoded to double-figures. **British Petroleum**, due to announce preliminary results on Thursday, weakened 22 to 364p, while Shell gave up 16 at 376p. Other leading shares were seldom more than two pence easier and most closed a shade above the worst: a fall of 5.3 in the FT 30-share index at 2.00 pm was reduced to 3.4 at the close of 452.3.

Still influenced by events in Zimbabwe-Rhodesia, buyers of Southern Rhodesian bonds were again operating and, in a market short of stock, rises of 4 points were achieved; the 2½ per cent 1965-70 issue gained that amount to £134.

Demand for Traded options contracted and 529 contracts were recorded against Friday's 977 and Thursday's 831. BP attracted 130 trades, while 100 were done in Cons. Gold Fields.

Antony Gibbs firm

Still awaiting news of the Hongkong and Shanghai bid approach, **Antony Gibbs** encountered renewed support and closed 6 to the good at 84p. Elsewhere in merchant banks, **Guinness Peat** edged forward a penny to 119p in response to Press comment but **Arbuthnot Latham** came on offer at 210p, down 4, and *Corinthian* eased a couple of pence to 32p. Quietly dull conditions prevailed in the major clearers where **NatWest** gave up 7 to 325p xd and **Midland** relinquished 3 more to 335p; the latter's results are due on Friday.

Insurances plotted an irregular course in thin trading. On the bid situation, **C. T. Bowring** gave up 2 to 132p, while **Sedgwick Forbes** declined a similar amount to 93p ahead of today's preliminary results. **Sun Alliance**, however, gained 4 to 568p and **General Accident** edged forward 2 to 238p.

Breweries passed an exceptionally quiet session and, apart from **Bass**, 2 cheaper at 219p, tended to retain last Friday's closing positions.

Buildings trended easier in places. Among the leaders, **Blue Circle** shed 4 to 306p, while **Tarmac**, 223p, and **RMC**, 161p, lost 3 apiece. **Taylor Woodrow** were noteworthy in Contracting with a fall of 7 to 361p. Week-end Press comment stimulated demand for **May and Hassell** which improved 5 to 97p, while bid speculation persisted in **Montague L. Meyer**, up 2 at 119p.

Chemicals made a dull showing under the lead of **ICI** which drifted off to close 7 cheaper at 370p xd. **Arrow** fell 5 to 109p and **Blagden and Noakes** closed a few pence cheaper at 126p.

Ben Williams good

Secondary issues provided the main focal points in Stores yesterday. Press comment stimulated considerable buying interest in **Ben Williams** which rose 8 to 26p, while **Bambers** gained 5 to 96p and **Rosgill** hardened a penny to 25p for a similar reason. Despite the reduced annual earnings, **Cornell Dresses** added a penny to 13½p, while the appearance of a few buyers helped **Dewhirst** improve 3 to 72p and **James Walker** put on 4 to 100p, the latter ahead of next week's interim statement. **Ratners**, on the other hand, gave up 3 to 53p and **Kitchen Queen** remained friendless at 18p, down a penny. The leaders drifted lower for want of support. **Woolworth** *cheapened a penny to 68p* ahead of tomorrow's preliminary results, while similar falls were recorded in **Marks and Spencer**, 92p, and **UDS**, 69p. Shoes featured **Stylo** 5 better at 170p. Dealings in **W. and E. Turner** were *suspended* at 48p prior to the announcement that the company had received a bid approach.

Still unsettled by the upward revision in the Decca losses, **Racal** eased afresh to 208p before staging a partial rally to close 3 cheaper on balance at 211p. Among the other Electrical leaders, **GEC** *finished* 4 lower at 373p and **Plessey** eased a few pence to 143p. Adverse Press mention prompted selling of **Newman Industries**, which weakened 7 to 40p, but **Concord Rotaflex** became a better market at 24p, up 5, *following* last Friday's fall of 9 on the pre-tax loss and passing of the final dividend.

A quiet day's trade in the Engineering leaders left prices with small irregular movements at the close. **GKN**, 268p, and **John Brown**, 55p, both closed a shade harder, but **Vickers** eased 3 to 125p and **Hawker** a few pence to 174p. Elsewhere, week-end Press comment stimulated fresh demand for **Anderson Strathclyde**, up 4 at 75p, while **W. Williams** advanced 7 to 29p for a *similar* reason. Further speculative support lifted **Amalgamated Power** 4 to 95p. Buyers continued to show interest in **Alcan Aluminium** which improved 6½ to 105 xd, but **Hill and Smith** came *on* offer at 51p, down 4, while losses of 3 were marked against **Charles Clifford**, 93p, and **T. W. Ward**, 95p xd.

Foods closed quietly mixed. **Carbury Schweppes**, preliminary results, Thursday, added 1½ to 63p, but **Rowntree Mackintosh** shed 4 to 146p, after 144p. **Joseph Stocks** firmed a penny to 103p following the higher interim profits and dividend. **British Sugar** hardened a penny to 160p; it was announced after the market close that S. and W. Berisford has acquired a near-10 *per cent stake in the company.*

Parker Knoll pleases

Parker Knoll performed well in miscellaneous industrials, the ordinary closing 12 higher at 135p and the **A** 15 up at 113p in response to the excellent interim results. **Hamilborne** encountered renewed speculative support to finish a further 9 up at 84p, while **Channel Tunnel** gained 3 afresh to 145p following Press comment. **Neil and Spencer** hardened 2 to 110p on the results and **Securicor** advanced 3 to 110p in response to the chairman's optimistic annual statement. **Royal Worcester** put on 4 to 202p and **PMA** were wanted at 70p, up 3. **Avon Rubber** eased 2 to 124p in reaction to adverse comment and **J. Bibby** lost a like amount to 156p ahead of today's annual figures. **Metal Closures** lost 6 to 110p and the Australian **Broken** *Hill Proprietary fell 30 to 630p.* The leaders drifted lower on lack of support. The prolonged steel strike continued to unsettle **Metal Box** which fell 6 to 254p, but other losses were confined to a penny or so. **Turner and Newall** eased the turn to 121p ahead of tomorrow's preliminary results.

Support was seen for selected Leisure issues. **Coral**, a dull market of late, attracted speculative interest and ended 6 better at 78p. **Management Agency and Music** added 3 to 133p for a similar reason, while a Press mention stimulated demand for **Piccadilly Theatre**, 6 higher at 100p.

Down to 61p in response to annual profits a shade below market expectations, **Rolls-Royce** rallied to close 3 up on balance at 66p following the encouraging tone of the accompanying statement. Motors otherwise were generally a penny or two easier. Among Components, **Dunlop**, 63p, **Automotive Products**, 59p, and **Armstrong Equipment**, 50p, all gave up 2. In Distributors, **Arlington** firmed a few pence to 105p after Press comment, but **British Car Auctions** lost a penny to 69p.

A few firm features appeared in Properties, a sector which has been unsettled of late by fears of yet higher interest rates. Favourable Press comment attracted buyers to **Bradford** and **Warner Estates** which helped the former close 8 to the good at 178p and the latter to put on 10 to 262p. **Mountview Estates** also added 10, to 146p, while improvements of around 4 were seen in **Percy Bilton**, 253p, **Centrovincial Estates**, 127p, and **Daejan**, 135p. **MEPC** gained 3 to 198p and **Land Securities** edged forward a penny to 293p.

Leading oils sold

Fresh talk of a possible wind-fall tax on profits and suggestions of an increase in petroleum revenue tax in the forthcoming Budget set the seal for a sharp setback in the **Oil** leaders. Selling found the market unwilling and **BP**, results due on Thursday, weakened 22 to 364p. **Shell** dropped 16 to 376p, while **Lasmo** gave up 24 to 450p and **Tricentrol** 10 to 292p. The more speculative *secondary North Sea issues* continued to give ground, but fresh losses here mainly reflected the absence of support. **Siebens (UK)** reacted afresh to 530p before rallying to close 40 down on balance at 550p. Dealings were temporarily suspended in **Viking Oil** at 910p pending an announcement.

Trusts trended lower with **City and International** reacting 6 to 120p and falls of around 3 recorded in **Lake View**, 94½p, and **Yeoman**, 200p. Dealings were temporarily suspended in *Bishopsgate Property* at 5p.

Furness Withy, down 5 more at 365p, continued to reflect doubts about the C.Y. Tung bid.

Textiles made a brighter *showing than of late.* **Nottingham Manufacturing** added a couple of pence to 96p, while **Carrington Viyella** firmed a penny to 14½p, the latter on reflection of the chairman's annual statement. **Sirdar** encountered revived *speculative* demand and picked up 4 to 102p, while Press comment helped **Textured Jersey** to a gain of 3 at 48p. Reports of a pending property sale lifted **Lister** 2 to 67p.

South African industrials continued Friday's easier trend with **Tiger Oats**, 615p, and **OK Bazaars**, 590p, both falling 10.

Fading takeover hopes prompted profit-taking in Plantations. **Guthrie** lost 25 at 755p, while **London Sumatra**, 390p, and **Harrisons Malaysian Estates**, 188p, receded 15 and 6 respectively.

Heavy losses in mines

Mining issues staged a broad retreat in the wake of lower precious and base-metal prices. South African Golds were under pressure all day as the further sharp fall in the bullion price encouraged widespread selling from most international centres.

The Gold Mines index dropped 14.8 for a two-day setback of 31.8 to 337.5, while the bullion price fell $28, making a loss of $61 over the past three trading days to $585.50 an ounce. Losses in the heavyweights ranged to £1¾ as in **Vaal Reefs**, £26¾, while **Buffels** gave up £1¼ to £14¼, **Randfontein** a like amount to £33¾ and **Durban Deep** a point to £15.

Medium and lower-priced *issues showed* **Stilfontein** 58 down at 720p, **Kinross** 40 lower at 558p and **Free State Saaiplaas** 27 easier at 307p.

Financials were marked down in line with Golds. **"Amgold"** dipped a point to £36½ despite the more than doubled dividend, while **Gold Fields of South Africa** dropped £1½ to £40½ and **Anglo American** fell 20 to 580p.

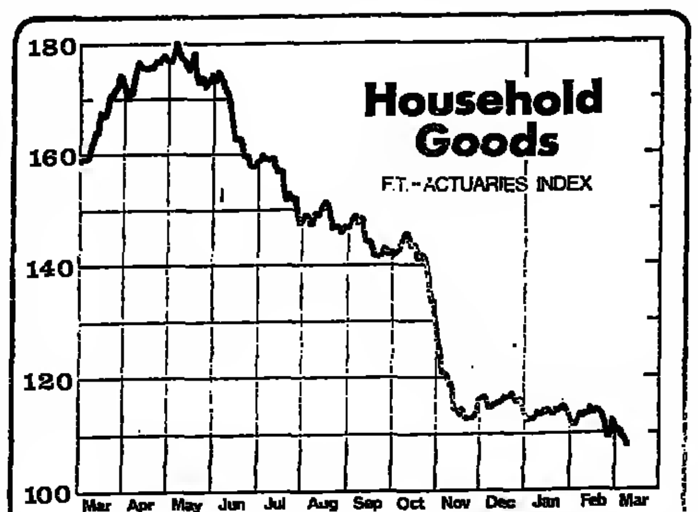
De Beers continued their recent decline and gave up 26 more to 450p ahead of the 1979 results which are expected today. On the other hand, **Union Corporation** attracted renewed London support and gained 30 more to 730p.

London Financials gave ground following the weakness of metal prices and also reflecting the downturn in UK equities. **Rio Tinto-Zinc** were the hardest hit and closed 13 down at 397p. *Tanks slipped* 6 to 268p and **Selection Trust** 5 to 755p. **Gold Fields** were sustained by investment support prompted by favourable week-end Press mention but *still showed* a near-5 loss at 518p, ex-dividend.

Already weakened by heavy selling in overnight Sydney and Melbourne, Australians lost further ground as metal prices came under pressure.

Leading issues bore the brunt of the selling. **Conzinc Riotinto** registered a fall of 26 to 254p, **MIM Holdings** *dropped* 24 to 240p, **Bougainville** 19 to 186p and **Western Mining** 8½ to 219p ex-dividend.

Among the speculative stocks, **Samantha** dropped 10 to 90p and **Otter** 8 to 86p. **Hampton Areas** improved 7 to 357p following news that **National Carbonising** had acquired the **Bond** Corporation's near-25 per cent holding in Hampton Areas. **Bond Corporation** were steady at 85p.



FINANCIAL TIMES STOCK INDICES

	Mar. 10	Mar. 7	Mar. 6	Mar. 5	Mar. 4	Mar. 3	[illegible]
Government Secs.	64.16	65.85	65.94	64.31	65.96	[illegible]	[illegible]
Fixed Interest	64.70	64.72	64.74	64.56	64.80	[illegible]	[illegible]
Industrial	452.3	455.7	458.0	460.4	466.1	[illegible]	[illegible]
Gold Mines	337.5	352.3	369.3	364.7	366.9	[illegible]	[illegible]
Ord. Div. Yield	7.48	7.39	7.35	7.31	7.22	[illegible]	[illegible]
Earnings, Yld. % (full)	18.65	17.87	17.79	17.68	17.55	[illegible]	[illegible]
P/E Ratio (net) (*)	6.59	6.65	6.69	6.93	6.97	[illegible]	[illegible]
Total bargains	20,341	23,075	21,556	20,274	22,830	[illegible]	[illegible]
Equity turnover £m.	—	186.58	106.56	105.47	100.68	[illegible]	[illegible]
Equity bargains total	—	17,788	16,211	15,487	17,338	[illegible]	[illegible]

10 am 454.8. 11 am 451.6. Noon 450.7. 1 pm 450.7.
2 pm 450.4. 3 pm 450.7.

Latest Index 01-246 8026.

*Nil=6.32.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1979/80 High	1979/80 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	75.91 (4/5)	63.30 (10/12)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	77.76 (5/6)	64.06 (15/11)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	552.5 (4/5)	406.3 (15/11)	4.423 (22/5/57)	49.4 (26/6/40)
Gold Mines	377.9 (29/2/80)	129.9 (17/4)	558.6 (4/5/79)	43.5 (26/10/71)

S.E. ACTIVITY

	Mar. 10	[illegible]
Daily		
Gilt Edged	141.9	[illegible]
Industrials	129.8	[illegible]
Speculative	51.1	[illegible]
Totals	93.5	[illegible]
5-day Avr'ge		
Gilt Edged	147.5	[illegible]
Industrials	122.1	[illegible]
Speculative	[illegible]	[illegible]
Totals	[illegible]	[illegible]

NEW HIGHS AND LOWS FOR 1979/80

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1979-80.

NEW HIGHS (18)

COMMONWEALTH & AFRICAN (1)
S. Rhodesia 2½pc '65-70
BANKS (1)
Gibbs (A.)
BUILDINGS (2)
Brownlee — Hat Group
May & Hassell
ELECTRICALS (2)
United — Wholesale Fittings
ENGINEERING (2)
Anderson Strathclyde — Hill & Smith
M.L. Hidgs.
INDUSTRIALS (4)
Hamilborne — Securicor
Parker Knoll A — Securicor A.N.V.
TRUSTS (2)
Kellock — Kellock Conv. Loan
MINES (1)
Anglo-Vaal — Petaling

NEW LOWS (42)

BRITISH FUNDS (1)
Treasury 5pc '86-89
AMERICANS (6)
American Express — Firestone Tire
Barnes Group — Fluor
Caterpillar — Norton Simon Inc.
City Inv. — Richardson-Merrell
CANADIANS (2)
Bank of Montreal — Bell Canada
CHEMICALS (5)
Bayer A. G. — Coates Bros.
Ciba Geigy 8pcCov — Hoechst
Norsk Hydro — Norsk Hydro
STORES (4)
Amber Day — Lincroft Kilgour
Kitchen Queen — Readicut
ELECTRICALS (2)
Petbow — Philips Lamps
Sony
ENGINEERING (3)
Black & Decker — Westland Forster
British Vending — Ferranti Mackintosh
FOODS (2)
INDUSTRIALS (7)
Austin (F.) (Leyton) — Hyman (I. & J.)
Baxter Travenol — Norcros
Embart — Pitney Bowes
Unilever N.V. — Ultra France Conv.
INSURANCE (2)
Comb. Ins. America — Turnbull Marine
LEISURE (1)
Howard & Wyndham
MOTORS (2)
Fodens
NEWSPAPERS (1)
Assoc. Book Pub.
TEXTILES
Courtaulds — Sekers & Wolsey

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	81	1	8
Corpns. Dom. and Foreign Bonds	19	—	52
Industrials	186	325	887
Financial and Props.	83	169	282
Oils	2	30	12
Plantations	—	1	23
Mines	20	71	55
Others	19	93	28
Total	410	690	1,337

LONDON TRADED OPTIONS

Option	Ex'rcise price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	350	22	15	—	—	—	—	368p
BP	360	—	—	44	—	56	5	"
BP	375	15	33	—	—	—	—	"
BP	390	—	—	30	24	43	—	"
BP	400	9	21	—	—	—	—	"
BP	420	—	—	20	24	32	—	"
BP	440	4	2	—	—	—	—	"
Com. Union	140	5	—	10	—	14	5	136p
Cons. Gold	390	—	6	152	—	—	—	518p
Cons. Gold	460	69	37	90	1	116	—	"
Cons. Gold	500	34	48	62	—	82	—	"
Cons. Gold	550	13	4	34	—	56	—	"
Courtaulds	70	4½	—	8½	—	10½	—	69p
Grand Met.	140	4	5	10½	15	15	—	131p
Grand Met.	160	1½	—	5	15	8	—	"
ICI	360	21	3	41	8	49	—	371p
ICI	390	8½	21	27	5	33	—	"
Land Secs.	300	10	10	23	—	29	—	292p
Land Secs.	330	4	—	13	—	19	—	"
Marks & Sp.	100	2	30	8½	77	11½	—	92p
Shell	330	48	—	68	—	—	—	378p
Shell	390	10	9	30	20	36	—	"
Shell	420	5	3	12	8	22	—	"
Totals			249		209		15	
		May		August		November		
Boots	180	20	7	27	—	34	—	181p
Racal Elec.	160	35	27	42	—	47	—	209p
Racal Elec.	200	20	10	30	—	39	1	"
Racal Elec.	240	6	—	16	—	22	—	"
RTZ	360	150	1	—	—	—	—	400p
RTZ	390	50	1	129	—	—	—	"
RTZ	330	80	2	106	—	—	—	"
RTZ	360	90	4	23	—	—	—	"
RTZ	460	7	—	33	4	—	—	"
RTZ	500	3	—	18	—	—	—	"
Total			67		4		1	

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Mon., Mar. 10, 1980 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Fri., Mar. 7 Index No.	Thurs. Mar. 6 Index No.	Wed., Mar. 5 Index No.	Tues., Mar. 4 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (172)	242.52	−0.5	18.11	6.48	6.95	243.78	244.41	245.34	244.61	260.59
2	Building Materials (27)	236.43	−0.2	16.81	6.64	7.59	236.92	237.87	239.60	238.71	238.05
3	Contracting, Construction (29)	369.75	−0.3	25.77	6.59	4.75	371.00	373.34	372.07	372.66	393.84
4	Electricals (15)	621.96	−0.8	12.98	4.01	10.26	627.24	630.56	632.07	623.05	620.39
5	Engineering Contractors (11)	286.44	−0.9	25.85	8.94	4.92	289.04	289.78	293.05	293.18	399.06
6	Mechanical Engineering (74)	165.88	−0.4	20.71	7.87	5.99	166.57	166.29	167.26	167.13	198.68
8	Metals and Metal Forming (16)	168.48	−0.4	20.66	9.19	5.76	169.18	168.99	169.14	168.98	175.97
	CONSUMER GOODS										
11	(DURABLE) (50)	217.65	−0.5	16.38	5.71	7.50	218.77	219.54	223.10	222.93	233.77
12	Lt. Electronics, Radio, TV (15)	307.56	−0.5	12.50	4.32	10.26	309.03	310.20	316.80	316.93	311.02
13	Household Goods (14)	107.59	−1.3	28.25	10.19	4.19	109.05	109.22	110.04	110.05	164.13
14	Motors and Distributors (21)	109.83	−0.4	24.27	8.49	4.84	110.30	110.64	111.15	110.70	125.98
	CONSUMER GOODS										
21	(NON-DURABLE) (173)	220.23	−0.2	18.36	6.95	6.71	220.70	222.71	223.33	221.11	246.06
22	Breweries (14)	266.32	−0.3	16.60	6.59	7.07	267.15	268.93	268.87	264.66	262.98
23	Wines and Spirits (5)	303.21	—	17.90	6.11	6.89	303.24	305.73	305.53	301.38	350.66
24	Entertainment, Catering (17)	304.35	−0.4	18.20	6.90	6.86	305.56	310.90	312.63	302.98	322.45
25	Food Manufacturing (19)	197.85	−0.1	20.63	7.52	5.99	198.05	199.82	200.18	197.59	225.15
26	Food Retailing (15)	305.29	—	13.60	4.91	8.78	305.35	308.10	306.66	303.23	286.70
32	Newspapers, Publishing (13)	426.03	−0.6	23.69	7.11	5.76	428.75	436.10	436.51	435.87	428.03
33	Packaging and Paper (15)	127.87	−0.7	23.29	8.90	5.52	128.78	130.61	131.39	130.40	150.73
34	Stores (43)	222.07	−0.6	13.85	5.13	9.33	223.48	224.61	224.95	224.11	234.91
35	Textiles (24)	128.64	+0.3	27.60	11.97	4.57	128.24	128.56	130.00	129.93	185.37
36	Tobaccos (3)	198.14	+1.2	29.39	11.87	3.86	195.74	199.40	202.38	201.89	294.86
37	Toys and Games (5)	34.85	+0.2	43.15	14.56	2.85	34.79	34.83	35.02	35.73	91.36
41	OTHER GROUPS (97)	204.23	−1.5	16.98	7.06	7.08	207.24	208.13	209.73	208.97	220.61
42	Chemicals (17)	296.37	−3.1	20.66	8.02	5.54	306.00	306.79	307.68	307.12	312.26
43	Pharmaceutical Products (7)	210.74	−1.2	12.08	6.07	10.09	213.38	211.89	214.14	212.51	273.96
44	Office Equipment (6)	115.10	−0.6	18.37	7.10	6.33	115.83	117.56	121.27	120.44	150.37
45	Shipping (10)	469.68	−0.4	11.27	6.88	11.32	471.35	478.18	480.45	481.56	431.18
46	Miscellaneous (57)	242.87	−0.3	16.67	6.67	7.60	243.55	245.37	247.10	246.12	241.03
49	INDUSTRIAL GROUP (492)	228.81	−0.6	17.82	6.77	6.91	230.22	231.57	232.77	231.24	250.29
51	Oils (8)	768.71	−4.9	20.89	5.82	5.05	808.05	824.02	840.16	817.36	625.48
59	500 SHARE INDEX	271.47	−1.6	18.47	6.56	6.41	275.74	278.20	280.53	277.39	281.07
61	FINANCIAL GROUP (117)	193.05	−0.3	—	5.94	—	193.60	195.56	196.79	195.93	198.40
62	Banks (6)	212.14	−1.8	42.58	6.71	2.91	216.03	218.80	222.28	220.79	231.90
63	Discount Houses (10)	212.83	−0.2	—	9.38	—	213.25	214.29	214.49	216.34	245.66
64	Hire Purchase (5)	185.94	−0.1	17.67	5.34	7.35	186.12	186.62	186.73	185.16	181.97
65	Insurance (Life) (10)	173.22	+0.2	—	6.07	—	172.79	175.40	174.39	173.78	154.76
66	Insurance (Composite) (9)	125.87	+0.5	—	7.81	—	125.25	126.00	127.03	126.45	144.33
67	Insurance Brokers (10)	281.17	−1.0	17.53	6.97	8.19	284.07	285.13	287.17	283.19	343.87
68	Merchant Banks (14)	103.12	−0.2	—	5.87	—	103.33	103.73	104.10	104.99	89.60
69	Property (44)	366.34	+0.6	3.66	3.01	39.11	363.98	368.22	368.91	368.87	333.87
70	Miscellaneous (9)	129.81	−0.6	16.01	7.05	8.20	130.56	132.13	130.89	130.52	125.23
71	Investment Trusts (109)	217.20	−0.9	—	5.98	—	219.14	221.31	221.66	222.47	235.01
81	Mining Finance (4)	205.04	−2.4	11.24	4.31	10.80	210.02	216.39	216.35	214.18	131.83
91	Overseas Traders (20)	402.62	−2.1	12.59	6.68	9.73	411.39	416.69	415.95	413.99	363.20
99	ALL-SHARE INDEX (750)	253.34	−1.3	—	6.36	—	256.78	259.33	261.19	258.82	258.84

FIXED INTEREST PRICE INDICES

	British Government	Mon., Mar. 10	Day's change %	xd adj. today	xd adj. 1980 to date
1	Under 5 years	100.28	+0.20	—	2.30
2	5-15 years	102.67	+0.49	0.11	2.20
3	Over 15 years	106.87	+0.47	—	2.11
4	Irredeemables	118.63	+0.46	—	2.51
5	All stocks	103.04	+0.38	0.03	2.16

	FIXED INTEREST YIELDS British Govt. Av. Gross Red.		Mon., Mar. 10	Fri., Mar. 7	Year ago (approx.)
1	Low Coupons	5 years	13.15	13.23	8.89
2		15 years	13.03	13.11	10.50
3		25 years	13.03	13.11	11.33
4	Medium Coupons	5 years	15.06	15.14	11.24
5		15 years	14.62	14.70	11.89
6		25 years	14.41	14.48	12.04
7	High Coupons	5 years	14.96	15.03	12.38
8		15 years	14.62	14.70	12.35
9		25 years	14.40	14.48	12.38
10	Irredeemables		12.46	12.51	10.91

		Mon., March 10 Index No.	Yield %	Fri. March 7	Thurs. March 6	Wed. March 5	Tues. March 4	Mon. March 3	Fri. Feb. 29	Thur. Feb. 28	Year ago (approx.)
15	20-yr. Red. Deb & Loans (15)	50.05	†14.76	50.13	50.20	50.15	50.86	50.89	50.32	50.63	54.22
16	Investment Trust Prefs. (15)	47.61	15.90	47.55	47.55	47.55	47.56	48.15	48.15	47.89	50.80
17	Coml. and Indl. Prefs. (20)	51.14	14.63	51.08	51.14	51.26	51.41	51.65	51.44	51.60	70.77

† Redemption yield. Highs and lows record base dates and values and constituent changes are published in Saturday issues. A new list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 26p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1979-80 high	1979-80 low
LASMO	25p	12	450	−24	528	124
Shell Transport	25p	10	376	−16	410	278
Ultramar	25p	10	490	−12	526	197
BP	25p	9	364	−22	414	220½
ICI	£1	9	370xd	− 7	415	314
Racal Elec.	25p	9	211	− 3	276	168¼
Tricentrol	25p	9	292	−10	336	148
Burmah	£1	8	215	−10	249	82
GEC	25p	8	373	− 4	456	311
NatWest Bank	£1	8	325xd	− 7	406	278
BAT Inds.	25p	7	233	+ 5	362	225
Cons. Gold Fields	25p	7	518xd	− 4½	617	178
Coral Leisure	10p	6	78	+ 6	133	56½
Lonrho	25p	6	98	− 3	110	62
Meyer (Mont. L.)	25p	6	119	+ 2	120	71

OPTIONS

DEALING DATES

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Mar. 3	Mar. 14	Jun. 12	Jun. 23
Mar. 17	Mar. 28	Jun 26	Jul 7
Mar. 31	Apr. 11	Jul. 10	Jul. 21

For rate indications see end of Share Information Service

Money was given for the call in Debenhams, Britannia Arrow, Coral Leisure, BSG, Lonrho, Tesco, Burmah, Charterhall, RTZ, Siebens (UK), Thuger Bardex, Phicom, Samuel Properties, National Carbonising, Allied Colloids and CRA. Puts were made in Land Securities, Lucas, Thorn, Beecham, Lasmo and Ultramar, while doubles were transacted in FNFC, Burmah, Coral Leisure, Charterhall and Magnet Metals.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1979/80 High	1979/80 Low	Stock	Closing Price p	+ or −	Div.	Times Covered	Gross Yield	P/E Ratio
50	F.P.	—	140	95	Berkley Exploration	101	[illegible]	—	—	—	—
£1	F.P.	7/3	105	100	Child Health Res'ch.	101	—	—	—	—	—
180	F.P.	[illegible]	207	180	Emess Lighting	207	—	[illegible]	[illegible]	[illegible]	[illegible]
10	F.P.	[illegible]	13½	10	Keep Inv. Trust 'A'	13½	[illegible]	—	—	—	—
—	F.P.	[illegible]	112	[illegible]	Lon.Merc'tSecs.Defd	112	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
—	F.P.	[illegible]	16	14	Rocks Plant 10p	15	[illegible]	1.85	2.7	6.4	7.5
§44	F.P.	[illegible]	67	57	WebberElctCom12.5p	59	[illegible]	b5.5	5.0	6.5	6.5

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1979/80 High	1979/80 Low	Stock	Closing Price £	+ or −
‡‡	F.P.	—	37p	35p	Aurora 5.85% Cum. Pref.	36½p	[illegible]
100p	F.P.	16/5	120p	97p	Cliff Oil [illegible]	122p	[illegible]
[illegible]	F.P.	30/5	[illegible]	[illegible]	Felixstowe Dock 9½% Cum Red Pref.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Globe Inv Tst 11½% Conv Uns Ln '90-95	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mid Kent Water 9% Red Pref. 1985	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	97	95	Rk'm'nw'h & Uxbridge Wtr. 9%RdPf1985	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date	1979/80 High	1979/80 Low	Stock	Closing Price p	+ or −
135	Nil	21/3	8/5	38pm	27pm AGB Research	31pm	[illegible]
§85.50	Nil	—	—	3pm	2pm Bank of Montreal	2pm	[illegible]
120	Nil	—	—	23pm	18pm Clyde Petroleum	22pm	[illegible]
33½	F.P.	22/2	28/3	59½	58 Edwards (Louis C.)	59	[illegible]
35	F.P.	3/1	21/3	845	160 Hammerson Prop. A	845	[illegible]
12	Nil	—	—	435pm	180pm Panconthental	435pm	[illegible]
25	Nil	30/3	18/3	72	57 Paringa	65	[illegible]
26p	F.P.	2/1	22/3	60	50 Premier Cons. Oilfields	55	[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. pt Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Unlisted security. ‡‡ Issued as units comprising 2 participating pref. shares and 1 ord. share at £3.50 per unit. † Dealings under special rule.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Lloyds Bk. (C.I.) U/T Mgrs. [illegible]
Lloyds Bank International, Geneva [illegible]
M & G Group [illegible]
Midland Bank Tst. Corp. (Jersey) Ltd. [illegible]
Samuel Montagu Ldn. Agents [illegible]
Murray, Johnstone (Inv. Adviser) [illegible]
Nat. Westminster Jersey Fd. Mgrs. Ltd. [illegible]
Negit S.A. [illegible]
Negit Ltd. [illegible]
Pacific Basin Fund [illegible]
Phoenix International [illegible]
Providence Capitol Life Ass. (C.I.) [illegible]
Quest Fund Mngmnt. (Jersey) Ltd. [illegible]
Richmond Life Ass. Ltd. [illegible]
Rothschild Asset Management (C.I.) [illegible]
Rothschild Asset Mgt. (Bermuda) [illegible]
Royal Trust (C.I.) Fd. Mgt. Ltd. [illegible]
Save & Prosper International [illegible]
Schlesinger International Mngt. Ltd. [illegible]
Schroder Life Group [illegible]
J. Henry Schroder Wagg & Co. Ltd. [illegible]
Sentry Assurance International Ltd. [illegible]
Singer & Friedlander Ldn. Agents. [illegible]
Standard Chartered Intl. Bd. Fd. [illegible]
Stronghold Management Limited [illegible]
Surinvest (Jersey) Ltd. (x) [illegible]
Surinvest Trust Managers Ltd. [illegible]
TSB Unit Trust Managers (C.I.) Ltd. [illegible]
TSB Gilt Fund Managers (C.I.) Ltd. [illegible]
Tokyo Pacific Holdings N.V. [illegible]
Tokyo Pacific Hldgs. (Seaboard) N.V. [illegible]
Tyndall Group [illegible]
Utd. Intnl. Mngmnt. (C.I.) Ltd. [illegible]
Unifile Assurance (Overseas) Ltd. [illegible]
Union-Investment-Gesellschaft mbH [illegible]
van Cutsem & Associates Ltd. [illegible]
S. G. Warburg & Co. Ltd. [illegible]
Warburg Invest. Mngt. Jrsy. Ltd. [illegible]
Wardley Investment Services Ltd. [illegible]
World Wide Growth Management [illegible]
Wren Commodity Trust [illegible]

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

INSURANCE PROPERTY BONDS

OFFSHORE & OVERSEAS FUNDS

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS

Public Board and Ind.

[illegible]

Financial

103¾	96	FFI 13pc 1981	96¾	.....	13.44	16.92
108¼	93½	Do. 14pc '83	93¾	.....	14.26	16.06
86½	77½	ICFC 5½pc Deb. '80-82	80½xd	.....	6.81	14.90
85	69	Do. 6¼pc Db. '81-84	73	.....	6.82	15.28
99	79½	Do. 10¼pc Uns.Ln. '86	84	.....	12.77	15.20
99	77	Do. 11pc Uns.Ln. '88	83	.....	13.59	14.75
101½	80	Do. 11¾pc Uns.Ln. '90	85½	.....	14.12	15.10
72½	54½	Do. 7¼pc A Deb. '89-92	58½	.....	12.88	15.00
69	51½	Do. 7¼pc A Db. '91-94	55xd	+1	13.13	14.90
72	64	Do. 9pc 'A' '91-94	65xd	+¾	13.85	15.00
78½	61	Do. 8¾pc Ln. '92-97	62½xd	.....	14.20	14.85
102	84½	Do. 12¼pc. Uns. Ln. 1992	84½xd	−1	14.79	15.40

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS AND HIRE PURCHASE

[illegible]

110	48	Clive Dis'nt 20p	48	.....	5.33	—	15.9	—
224	121	Com'l Aus. ($A1)	144	−4	†Q18c	3.0	6.5	5.1
*935	862	Com'zbk DM 10	875	.....	Q26.6%	—	7.9	—
£18½	900	C'hgn.Hbk.Kr100	975	.....	Q13%	—	13.6	—
41	20	Corinthian 10p	32	−2	†1.05	5.9	4.7	3.7
£24¼	£15	Cred. France F75	£17	.....	Q12.5%	—	6.1	—
13	5	Dawes (G. R.)	12	.....	—	—	—	—
*£119½	£62½	Deutsche Bank DM50	£62½	−½	Q28.12%	—	5.9	—
90	55	F. C. Finance	60	.....	2.2	4.9	5.2	5.5
17	5¼	First Nat. 10p	14¾	.....	—	—	—	8.9
4	1½	Do. Wrrts. 75-83	2	.....	—	—	—	—
266	178	Gerrard Natnl	208	.....	†9.12	—	6.3	—
84	38	Gibbs (A.)	84	+6	2.2	—	3.7	—

BANKS & HP—Continued

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

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INDUSTRIALS—Continued

[illegible]

INSURANCE

[illegible]

INSURANCE—Continued

[illegible]

LEISURE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

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[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc.

[illegible]

FINANCE, LAND—Continued

[illegible]

OIL & GAS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

CENTRAL RAND

[illegible]

EASTERN RAND

[illegible]

FAR WEST RAND

[illegible]

O.F.S.

[illegible]

FINANCE

[illegible]

DIAMOND AND PLATINUM

[illegible]

MINES—Continued

CENTRAL AFRICAN

1979-80 High	Low	Stock	Price	+ or −	Div. Net	Cvr	Yld Gr's
430	97	Coronation	380	......	Q54c	2.2	8.1
680	132	Falcon Rh.50c	630	......	Q100c	1.7	10.9
48	11	Rhod'n Corp. 16½p	37½	+½	0.56	6.5	2.2
267	70	Roan Cons. K4	227	......	100.12	♦	3.4
67	26	Wankie Col. Rh.1	59	+1	Q9c	2.5	10.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—

AUSTRALIAN

[illegible]

TINS

[illegible]

COPPER

235	56	Messina R0.50	217	......	010c	♦	2.6

MISCELLANEOUS

160	78½	Anglo-Dominion	155	+5	—	—	—
97	54	Barymin	87	−7	—	—	—
14½	10	Burma Mines 17½p	14	......	—	—	—
502	170	Cons. Murch. 10c.	450	−10	Q100c	♦	12.4
585	220	Northgate C$1	415	−15	—	—	—
452	226	R.T.Z.	357	−13	†11.5	3.4	4.1
52	12	Robert Mines	30	−2	—	—	—
65	26	Sabina Inds. C$1.	50	−6	—	—	—
880	470	Tara Expln. $1	540	−40	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ‖ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend. P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

[illegible]

OPTIONS

3-month Call Rates

[illegible]

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 28

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £500 per annum for each security

FINANCIAL TIMES

Tuesday March 11 1980

BL revises target for cutting workforce

By Alan Pike, Labour Correspondent

BL CARS management told union leaders yesterday that some 3,000 planned redundancies will have to be brought forward from 1981 to this year because of poor sales in recent months

The company stressed that the 25,000 redundancies proposed under its two-year recovery plan were not being increased. But, because of "major changes in the business environment which have affected BL Cars in the past few months," parts of the programme are being accelerated.

BL blamed the effect on exports of the strong pound, the impact of last year's national dispute in the engineering industry, high sales of imported vehicles and the effect of fuel costs on sales of the company's largest cars.

About 3,000 of the proposed redundancies have already taken place through natural wastage and other means. About half of the 25,000 workers affected will have left the company by the end of this year.

Members of the Confederation of Shipbuilding and Engineering Unions' executive were not given precise details of the areas in which the company intends to speed up the recovery plan. These will be announced at plant level.

All BL's key plants are likely to feel some of the impact, although union leaders believe that an early rundown of Castle Bromwich, Birmingham, and Canley, Coventry, is a likely possibility.

Mr Terry Duffy, president of the Amalgamated Union of Engineering Workers, said after yesterday's meeting that the company's expectations had not been fulfilled in certain areas where it had hoped to be more profitable by now. He stressed that the trade unions remained dedicated to the survival and strengthening of BL.

BL has 15,000 workers laid off and another 7,000 on short-time. The company claims to have taken 23 per cent of new car sales so far in March and is hoping the monthly figure will be at least 20 per cent.

Management representatives stressed to union leaders that the company remained determined to continue with its programme for new models as planned. It also said that BL did not need to approach the Government for additional financial aid.

Call for higher duty threshold

THE Housebuilders' Federation is asking the Government to raise the threshold for stamp duty on house purchases from £15,000 to £30,000 in the Budget this month.

Weather

UK TODAY

RAIN at times in most areas. Generally mild.

London, S.E., Cent. S. and E. England, E. Anglia, Midlands, Channel Is.
Becoming cloudy. Mainly dry. Max. 10C (50F).

S.W. England, S. Wales
Occasional rain. Max. 12C (54F).

N. England, N. Wales, Scotland, N. Ireland, I. of Man
Cloudy. Occasional rain. Hill fog. Max. 10C (50F).

Outlook: Brighter. Showery. Colder.

WORLDWIDE

		Y'day midday °C	°F
Ajaccio	S	14	57
Algiers	S	19	66
Amsdm.	F	8	46
Athens	F	13	55
Bahrain	S	24	75
Barclna.	C	12	55
Beirut	S	17	63
Belfast	F	5	41
Belgrd.	C	4	39
Berlin	Sn	2	35
Biarritz	F	12	54
Bmghm.	C	6	43
Blackpl.	R	6	43
Bordx.	R	10	50
Boulgn.	R	6	43
Bristol	C	6	43
Brussels	F	8	46
Budpst.	F	8	46
B. Aires	C	29	84
Cairo	S	26	79
Cardiff	C	7	45
Cas'm'ca	F	18	64
Cape T.	S	28	81
Chicago	C	5	41
Cologne	C	9	48
Cpnhgn.	C	2	36
Corfu	C	12	54
Dublin	F	8	46
Dbrvnk.	S	15	59
Ednbgh.	C	4	39
Faro	S	18	64
Florence	S	14	57
Frankft.	C	8	46
Funchal	F	18	81
Geneva	S	7	45
Gibrltr.	S	17	63
Glasgow	C	5	41
G'rnsey	F	8	48
Helsinki	S	−5	23
H. Kong	S	17	63
Innsbrk.	R	6	43
Invrnss.	C	6	43
I.o.Man	C	5	41
Jersey	C	9	48
Jo'burg	S	20	68

		Y'day midday °C	°F
L. Pims.	C	19	66
Lisbon	S	15	51
Locarno	S	15	59
London	C	8	46
Luxmbg.	R	5	41
Luxor	S	29	84
Madrid	S	13	55
Majorca	F	16	61
Malaga	S	19	66
Malta	F	11	52
M'chstr	C	6	43
Melbne.	C	19	66
Milan	S	15	59
Mntreal.	C	0	42
Moscow	Sn	−6	21
Munich	F	5	41
Nairobi	S	26	79
Naples	F	10	50
Nwcstl.	Sl	3	37
N. York	C	10	50
Nice	S	16	61
Oporto	S	15	81
Oslo	C	2	36
Paris	R	7	45
Perth	S	33	91
Prague	F	3	37
Rhodes	S	17	63
Rio J'o	S	32	89
Rome	S	17	63
Salzbrg.	R	3	37
Singapr.	S	31	87
Stckhm.	Sn	−2	28
Strasbg.	F	10	50
Sydney	C	17	63
Tangier	S	18	66
Tehran	S	11	52
Tenerife	C	11	52
Tokyo	S	16	61
Toronto	S	2	36
Tunis	S	15	21
Valencia	S	16	61
Venice	S	11	52
Vienna	R	4	39
Zurich	F	7	45

C—Cloudy. F—Fair. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

NEW YEAR PRICE CUTS PUSH UP SPENDING

Retail sales recover

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

LARGER than usual New Year sales helped push retail spending in January to the highest level since last summer.

But a recalculation of the index shows that growth in sales over the last four years has been much slower than previously thought.

The Department of Trade figures published yesterday show index of the volume of retail sales rose by about 1 per cent between December and January to 102.8 (1976=100, seasonally adjusted).

Food sales fell slightly, but this was more than offset by an increase in other retail trade.

The upward trend was also reflected in a rise from £593m to £671m in new credit extended by finance houses, retailers and other specialist consumer credit grantors. This was, however, lower than the peak of £698m in November.

The spending revival in January appears to conflict with the low level of consumer confidence indicated by various opinion surveys. But it can be explained by the continuing rise in real incomes and possibly by a decline in savings from the very high levels of the end of 1979.

In addition, spending may have been given a special fillip in January and February by the size of price discounts in the unusually long New Year sales.

All recent evidence suggests that the retailers expect a weak first half in 1980 and are doing everything possible to reduce high stocks.

The retail sales volume figures are the first to reflect the change in the base of the index from 1971 to 1976. This takes account of major changes in the structure of the retail trade.

The result is that the rate of growth of retail sales volume is now shown to be much lower than previously estimated because some types of retailer were over-represented in the previous index.

On the previous basis volume was estimated to have risen by 2.8 per cent last year; the latest estimate is 1.1 per cent.

A longer-term comparison, the rise between 1976 and 1979, was estimated at 5.5 per cent. The latest estimate is a 2 per cent increase.

The rebasing makes little difference, however, to the pattern of trade in recent months. In the three months to January the average level of sales was about 2 per cent higher than in the previous three months. On a similar basis the value of new consumer credit rose by 3 per cent, which suggests a small decline in volume.

RETAIL SALES VOLUME
1976=100, seasonally adjusted

		All Retailers	Food Shops
1979	1st	100.7	98.7
	2nd	106.2	99.9
	3rd	99.5	96.7
	4th	101.7	97.9
	Oct.	100.8	97.6
	Nov.	102.5	97.8
	Dec.	101.7	98.3
1980	Jan.	102.8	97.8

Source: Department of Trade

Thatcher warning to EEC

BY RICHARD EVANS, LOBBY EDITOR

THE PRIME MINISTER last night appealed on French television for a fair deal for Britain over its net contribution to the EEC budget.

Ministers are becoming increasingly worried as the Brussels summit approaches without much indication of success in the campaign to cut the contribution.

In a firm restatement of Britain's position, Mrs. Thatcher stressed she would go on fighting for fair redress in 1980-1981.

There was no question of Britain leaving the Community, accepting associate membership — an option sometimes advocated in France — or adopting the "empty chair" technique of President de Gaulle.

But she hinted Britain might be forced to become a very awkward partner if there was no progress by the next financial year.

"Britain must have some justice, and I am afraid that unless we get justice fairly soon, it will be difficult to make progress with other matters," she said.

It was Mrs. Thatcher's first interview on French television since becoming Premier. Her theme was that Britain was a major partner in the Community and wished to continue as one. But it should receive fair treatment, patently not the case at present.

"Sooner or later, there must be a satisfactory solution because the position is totally and utterly unfair," she said.

She would not expect France to be the biggest contributor if it had an income below the Community average. French politicians would be the first to complain.

The Prime Minister intended to approach the summit on March 31 and April 1 in "a spirit of genuine compromise," but with little room for manoeuvre.

There was no question of Britain becoming a net beneficiary or seeking favoured treatment.

The intention was that "Britain would cover every single thing that the Community spends in the UK and we will, of course, make a modest contribution on top of that." Britain was simply asking to contribute less.

The Premier was noncommittal when asked about the European Monetary System and prospects for British participation. She referred to recent movements in the relationship between the pound and the dollar. This gave rise to "very considerable difficulties."

Mrs. Thatcher was asked about the domestic impact of her economic policies, and the fight against inflation. She accepted that the change of direction could not succeed without problems, but there was no alternative. She believed the Government was winning through gradually.

Economic and industrial strategy was on the right lines. "It is gradually going to come right."

Asked what it felt like to be a woman Prime Minister, she said she looked at things much more logically than her colleagues.

"Maybe it is that women are much more logical, much more reasonable, much more sensible. I also tend to make up my mind very quickly—perhaps that is because women usually do."

Bridging loan to aid Turkey

BY DAVID MARSH IN BASLE

TURKEY'S financial recovery programme took a major step forward yesterday when the country's central bank received a pledge from central bank governors meeting in Basle for a bridging loan of probably $500-$600m to help tide it over its economic problems.

The assurance was given to Mr. Ismail Hakki Aydinoglu, governor of the Turkish central bank, by central bankers at their monthly meeting at the Bank for International Settlements.

The loan, to be paid out under the aegis of the BIS, will be an advance on a credit of up to $1.6bn which Turkey will receive later this year from major OECD governments.

On March 26, the exact size of the OECD loan will become clear when governments hold a pledging session for Turkish aid in Paris.

Turkish officials feel that the session will result in firm commitments of at least $1.2bn, roughly half of which will be paid out in advance by central banks to bridge the gap between approval of the funds and their dispersement by individual governments.

The money may be paid out as early as next week after the details are cleared up in consultations between Western governments and their central banks.

The bridging credit will probably run until September, by which time the government money is expected to be paid out.

Turkey is a member of the Bank for International Settlements, and has received emergency aid from the bank at least once—in 1977—during its economic trials over the last few years.

Continued from Page 1

Steel

joint bargaining arrangements which have been set up because of the strike.

Mr. Sirs has said that joint bargaining itself is worth a 4 per cent pay increase.

BSC's "final position" has been a 14.4 per cent pay rise in return for job losses, new working practices and local productivity agreements.

U.S. bank

Continued from Page 1

effort over the past few weeks to explain their position to MPs and other interested parties. A background paper, which is being distributed by some of the banks to backbench MPs and others, argues that the present tax system penalises the banks and is inequitable.

One of the main points in the paper is that industrial companies benefit from the availability of capital allowances on their fixed assets, including industrial buildings.

"The banks, on the other hand, receive no tax relief at all on their principal form of fixed investment, their premises. There seems to be no justification at all for this discrimination. Discussions with the Inland Revenue have elicited no reason for it beyond sheer expediency."

Swiss ease curbs on foreign holdings

By John Wicks in Zurich

SWITZERLAND yesterday removed further restrictions on foreign Swiss-franc holdings in a continuing effort to strengthen the currency against the dollar. As from today, interest may again be paid on foreigners' time deposits of at least three months' maturity, and the limit on forward sales of Swiss francs to foreigners has been abolished.

The moves to protect the Swiss franc were underlined by the continuing strength of the dollar yesterday. In London it closed at a four-month high against the D-mark in spite of considerable central bank intervention. Gold again fell sharply in London and New York.

The measures mark a further step towards the complete abolition of the controls introduced in the mid-1970s with the aim of warding off an excessive inflow of foreign funds. The ban on interest payments, which was partially removed last month, now exists only for foreign sight deposits and short-term time deposits of less than three months' maturity.

Neither the easing of the interest and forward-sale restrictions in February nor the raising of the bank rate a few days later have yet brought about any firming of the Swiss franc's exchange rate against the dollar. The Government and the National Bank are concerned at the inflationary implications of a weak currency and at the consequent rise in import prices.

The National Bank believes there will be a gradual move back into Swiss francs following this year's measures to scrap barriers against foreign funds. However, the substantial gap between interest rates in Switzerland and those elsewhere still reduces the currency's attraction.

David Marsh in Basle writes: Rising interest rates internationally, the strength of the dollar and the surge in international liquidity came under close examination by leading central bank governors at their monthly meeting in Basle yesterday. The central bankers reviewed a report drawn up by central bank experts on possible methods of Euromarket control. The report concluded that rising international liquidity constituted a major prudential and macro-economic problem.

The governors agreed yesterday to maintain efforts to improve surveillance of Euro-market activities, and reaffirmed their intention of forcing banks to draw up fully consolidated balance sheets.

But they agreed not to make any statement on methods of improving Euro-market regulation, pending further discussion at next month's Basle meeting.

Peter Riddell, Economics Correspondent, writes: The dollar rose to a fourth-month high against the D-mark yesterday following the further rise in U.S. interest rates on Friday. This was in spite of continuing central bank intervention.

The U.S. currency rose in Europe to DM 1.8095 compared with DM 1.7960 previously and climbed to its best level against the Swiss franc since early June last year, closing at SwFr 1.7350 compared with SwFr 1.7160 on Friday.

Both the Bundesbank and the Swiss National Bank were regularly in the market, as they were last week, in an attempt to limit the rise in the dollar against their currencies.

Gold faced persistent selling and the price per ounce fell $28 in London to $585½, its lowest level for two months.

The renewed strength of the dollar again affected sterling, which fell 1.2 cents to $2.2165. The pound was much firmer against the Continental currencies and its trade-weighted index closed unchanged at 71.9.

The rise of the dollar is now unsettling the European Monetary System and both the Danish and Belgian central banks had to intervene

EEC braced for U.S. steel-dumping suit

BY JOHN WYLES IN BRUSSELS

VISCOUNT Etienne Davignon, the EEC Industry Commissioner, flew to Washington at short notice yesterday amid strong indications that U.S. Steel was about to file its long-threatened suit alleging dumping of steel by European producers on to the American market.

What the Commissioner hoped to achieve was not clear. But officials in Brussels indicated that he wanted to discuss the implications of the suit with the Carter Administration, and, as far as possible, limit its possible impact.

He is said to be anxious to urge the Administration to discourage other American steel companies from following U.S. Steel's lead.

It is understood that the suit would be directed against French and West German producers who accounted for just over half of the EEC's 5.5m tonnes of steel exports to the U.S. last year.

To succeed, U.S. Steel would have to prove that these exports have caused it material injury either because they were sold in the U.S. at below-average production costs or at below prices charged in their domestic markets.

There is some scepticism on both sides of the Atlantic as to whether U.S. Steel can substantiate a claim of material injury.

EEC producers have been bracing themselves for several months against such a suit. Steel imports, of which 30 per cent were from the EEC, took about 17 per cent of the U.S. market last year, at a time when most American companies' plant was under-used and when profits were tumbling. U.S. Steel was experiencing heavy losses.

The Commission's principal worry is that the anti-dumping suit could halve steel sales to the U.S. at a cost of around U.S.$1bn. to EEC producers. To some extent this concern is based on the experience of 1977, when an anti-dumping suit from National Steel raised such fear of penalties among importers of EEC steel that trade in some products virtually ceased.

U.S. Steel's suit is expected to cover about 75 per cent of the various products shipped to the U.S. from the EEC.

U.S. officials have previously made clear, that the filing of the suit should not be seen as retaliation for the recent imposition by the UK of quotas on U.S. synthetic fibres. Such moves, it is said, are unfortunate but are allowed within the new framework negotiated last year, specifically to cope with industrial sectors able to demonstrate unfair injury from imports.

There is a suspicion that steel companies in the U.S. have used the anti-dumping threat to try to wring a number of concessions out of the Carter Administration.

The White House is believed to have rejected internal administration proposals for a modification of the trigger price regime which has set minimum prices for imported steel for two years.

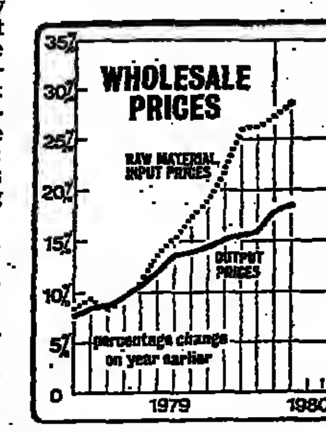
The proposals were also said to have contained suggested changes in the environmental regulations applied to the steel industry which, the companies claim, impose a too heavy capital burden.

THE LEX COLUMN

A bumpy ride for Rolls-Royce

Even with sterling a little lower, the 12-month change in the wholesale input price index should now be nearing a peak, unless the oil market suddenly tightens again. High interest rates seem to have pricked the world commodity price boom—the gold price has come back below $600. Yesterday the gilt-edged market absorbed the inflation news easily enough: the real test will come with this afternoon's February banking figures.

Index fell 3.4 to 452.3



Rolls-Royce Motors

Rolls-Royce Motors' run of bad luck has struck at precisely the worst time. The cancellation of the Iran tank order, the engineering dispute and the recession in industrial diesel engines, combined with the sharply increased interest charges associated with its capital expenditure programme, have combined to cut pre-tax profits from £14.6m to £7.1m. The decline in profitability has taken place when cash is draining out of the company pushing up the proportion of net debt to shareholders' funds to 70 per cent. This is a far cry from the 28 per cent considered "acceptable" by the chairman in 1978.

An early sharp improvement is unlikely. While cars probably accounted for £4m of the £5m profits lost because of the engineering dispute, the division has to carry the cost of launching the replacement Silver Shadow in the next nine months or so. The labour force in diesels—which lost £2m in the second half—has now been cut by a quarter, and the division may break even in the current year. The remaining division, mainly aerospace-oriented, should see further growth, but with interest charges also higher, profits are unlikely to come out much above £9m in 1980. At this level the prospective p/e multiple — after yesterday's 3p rise in the share price to 66p due mainly to the maintained dividend — is about 8¼.

Profits of this order imply a further cash outflow of well over £10m. While the company believes there should be a positive cash flow by the following year when the capital expenditure programme tails off, the group faces a tricky period.

Berisford/BSC

British Sugar Corporation is over the hump of its capital investment programme, and should be about to enter a period of substantial cash surplus. But uncertainties over the EEC beet quota negotiations, a probable fall in profits this year—the current beet contract is unfavourable to BSC—and the presumption that the Government will sell its 24 per cent stake have combined to depress the shares. Even after a recovery over the last few days, the p/e on reported 1978/79 earnings is little more than 3.

So S. and W. Berisford, in taking its existing small holding in BSC up to 10 per cent, may simply be hoping to make a quick trading turn; noises emerging from Brussels suggest BSC's new quotas may turn out nearer 1.1m tonnes than the 0.9m originally mooted.

BSC cannot be sure, though, that Berisford is not building a platform from which to make a full bid. Berisford may feel its international sugar trading ambitions would be helped by having a sugar processing business to add to its merchanting activities, and BSC's cash-flow prospects make it a tempting prize. But it would be a stretch—BSC is capitalised at £96m, Berisford at £135m.

Lloyds Bank

Tomorrow the clearing banks begin negotiations with their staff over the pay deal due to come into operation next month. The clearers are entering the talks with a degree of trepidation, reflected in the statement in the Lloyds annual report, published today, that "much of our forward thinking has been dominated by concern over rising costs and the need to protect our business from the effects of significantly lower interest rates in the future." In 1979 Lloyds' UK staff received an average pay increase per head of 21 per cent, and it seems unlikely that the 1980 rise will be much, if at all, less than this.

As Sir Jeremy Morse, Lloyds' chairman, points out, the clearing banks are unusual in that if inflation slows down their income will not only stop rising so fast but will actually go into reverse. This was not, of course, why Sir Jeremy apparently told the NEDC meeting last week that the money supply should be allowed to grow faster. But the market's view of the current quality of clearing bank earnings is well illustrated by Lloyds' p/e ratio of 2.8 on an historic cost basis (and no more than 6.6 on a current cost basis).

Lloyds says that it is seeking to offset the risks of UK retail banking by moving into other areas like international and wholesale business. The pity is that the report gives no real quantitative information about such areas of activity other than Sir Jeremy's remark that the international contribution to pre-tax profit fell from "about 45 per cent in 1978 to about 30 per cent in 1979." Lloyds does, of course, publish separate accounts for Lloyds Bank International, but it seems that domestic and international business are spread between Lloyds and LBI.

CanPac Inv.

Last week Canadian Pacific Investments sold its 13.4 per cent stake in MacMillan Bloedel, Canada's largest forest products group, after encountering political opposition to a full takeover. Yesterday, it announced a placing of 750,000 shares outside North America. The two developments are not directly related, but together they indicate that CPI is fast outgrowing its domestic base and must look abroad for further expansion.

The planned listings in London and Amsterdam represent a gesture of this intent and will also bring CPI into line with its parent, Canadian Pacific, which has been listed on the two exchanges since the turn of the century. Significantly, CPI has gone to Europe before New York. The group was apparently deterred by the paper-work involved in an SEC listing.

The shares should be placed with ease, even though no discount on the current market price is foreseen. The offering amounts to only 1 per cent of CPI's capital and the appeal to foreign investors lies in CPI's highly profitable resource holdings.

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